

AGENDA BOOK

Board of Regents



**Board of Regents Meeting
Morehead State University
Thursday, March 12, 2009**

Schedule

9 a.m.

BOR Meeting

Riggle Room

Noon

Lunch

Heritage Room

Members, Morehead State University Board of Regents

Sylvia L. Lovely (*Chair*)

Jean M. Dorton (*Vice Chair*)

James H. Booth

Paul C. Goodpaster

Michael W. Harmon (*Student Member*)

Cheryl U. Lewis

Dr. Ronald D. Morrison (*Faculty Member*)

John C. Merchant

Dr. John D. O'Cull

Lora L. Pace (*Staff Member*)

Jill Hall Rose

Wayne D. Andrews, President

**Board of Regents Meeting
Morehead State University
Riggle Room, Adron Doran University Center
9 a.m., Thursday, March 12, 2009**

Agenda

- I. **CALL TO ORDER**
- II. **ROLL CALL**
- III. **ELECT OFFICERS: CHAIR, VICE CHAIR, AND SECRETARY;
APPOINT TREASURER**
- IV. **APPROVE MINUTES OF DECEMBER 4, 2008**
- V. **SPOTLIGHT – *Academic Audit***
- VI. **PRESIDENT'S RECOMMENDATIONS AND REPORTS**
 - A. **Recommendations**
 - 1. Approve CPE Resolution1
 - 2. Approve Tenure with Promotion, 20092
 - 3. Approve Amended PAc-1 Definition of Academic Titles..... 3-6
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 - 5. Report on Anticipated 2009-2010 Tuition and
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 - C. **President's Report (Progress Update on President's Goals)**
- VII. **OTHER BUSINESS**
 - A. **Executive Session**
 - B. **Upcoming Meetings**
 - 1. Work Session, Thursday, May 21, 2009
 - 2. Quarterly Meeting, Thursday, June 11, 2009
- VIII. **ADJOURNMENT**

**BOARD OF REGENTS
MOREHEAD STATE UNIVERSITY
December 4, 2008**

The Board of Regents of Morehead State University met at 9 a.m. on Thursday, December 4, 2008, in the Riggle Room of the Adron Doran University Center in Morehead, Kentucky. Chair Sylvia Lovely presided.

CALL TO ORDER

Chair Lovely called the meeting to order and welcomed Board members and others to the meeting.

ROLL CALL

The following Board members were present: James H. Booth, Jean M. Dorton, Paul C. Goodpaster, Michael W. Harmon, John C. Merchant, Dr. Ronald D. Morrison, Dr. John D. O'Cull, Lora L. Pace, Sylvia L. Lovely, and Jill Hall Rose. Cheryl U. Lewis was unable to attend.

Others present: President Wayne D. Andrews; Provost Karla Hughes; Vice Presidents Michael Walters, Keith Kappes, Beth Patrick, Madonna Weathers, and James Shaw; and other members of the administrative staff.

NEWS MEDIA

Jason Blanton, Media Relations Director, introduced Dan Conti from Morehead State Public Radio.

**MINUTES OF
SEPTEMBER 11,
2008**

Ms. Dorton moved that the minutes of the September 11, 2008, quarterly meeting be approved as distributed. Dr. O'Cull seconded the motion. The motion carried.

The President recommended:

**HONORARY
DOCTORATES**

RECOMMENDATION: That the Board approve awarding of the honorary degree of Doctor of Public Service to Dr. George M. Luckey Jr. and to Dr. Sue Y. Luckey at the Winter Commencement ceremony on December 13, 2008.

(Additional background information attached to these minutes and marked IV.)

MOTION: Mr. Booth moved that the Board approve the President's recommendation. Mr. Merchant seconded the motion.

VOTE: The motion unanimously carried.

**SABBATICAL
LEAVE REPORT**

Dr. Michael Moore, Professor of Communication, reported on his fall 2007 Sabbatical leave, during which he conducted a survey of institutions using a communication assessment instrument he co-developed, The Competent Speaker Speech Evaluation Form. He reported that more than 30 colleges and universities are using the instrument to assess the communication skills of students and to document the degree to which the institution is achieving the communication portion of its general education program.

**PRESIDENT'S
RECOMMENDA-
TIONS*****Winter Graduates***

Additional findings regarding how institutions use the assessment data for program improvement were reported.

The President recommended:

RECOMMENDATION: That the Board approve the awarding of degrees to all candidates who successfully complete all degree requirements as approved by the faculty of the University at the 2008 Winter Commencement on December 13, 2008.

MOTION: Dr. Morrison moved that the Board approve the President's recommendation. Ms. Pace seconded the motion.

Karla Hughes, Provost and Vice President for Academic Affairs, said that 543 students, which includes 70 associate degrees, 347 bachelor degrees, 125 master degrees and one education specialist degree, have applied for graduation at the December 13, 2008, winter commencement.

VOTE: The motion carried.

The President recommended:

Personnel Actions

RECOMMENDATION: That the Board ratify the Personnel Actions for the period August 23, 2008, through November 14, 2008.

(List of Personnel Actions attached to these minutes and marked VI-A-2.)

Michelle Hardin, Associate Director of Recruitment and Employment, said that the report for the period of August 23, 2008, to November 14, 2008, contained 32 reportable actions, which are typical for the period. In response to a question about the number of retirements, Ms. Hardin indicated that the number was up slightly primarily due to changes taking effect December 31, 2008, in the Kentucky Employee Retirement System.

MOTION: Dr. Morrison moved that the Board approve the President's recommendations. Mr. Merchant seconded the motion.

VOTE: The motion carried.

The President recommended:

***2007-08 Audit &
Fourth Quarter
Financial Reports***

RECOMMENDATION: That the Board accept the audit report for the fiscal year ended June 30, 2008, as presented by Dean, Dorton & Förd, PSC, accept the reports related to the fourth quarter financial information and capital outlay, and amend the operating budget for the 2007-08 fiscal year.

(Audit Report and additional background information attached to these minutes and marked VI-A-3.)

Michael Walters, Vice President for Administration and Fiscal Services, said that the Kentucky Revised Statutes require that an annual audit be conducted by all universities in the state. The audit is to be conducted by an independent public accounting firm. On June 5, 2008, the Board of Regents approved the recommendation of the Audit Committee on the appointment of Dean, Dorton & Ford, PSC to conduct the 2007-08 fiscal year audit and also the Committee's recommendation on the minimum scope of the audit work to be performed.

He reported that the Audit Committee met earlier today and received the report on the University's audited financial statements for the fiscal year that ended June 30, 2008. The report was issued with an unqualified opinion on the financial statements.

In addition, Mr. Walters said that the audited financial statements are reflective of all transactions for the fiscal year and serve as the University's fourth quarter financial report.

Teresa Lindgren, Director of Budgets, noted that page 8 of the report was incorrect and that there was a replacement page in each Board member's packet. She said that the budget was adjusted by \$147,045 in the fourth quarter as a result of some increases in tuition and fees, government appropriations, and other sales and services, which are typical for the fourth quarter. More detail on the adjustments is provided on pages 12 and 13 of the Agenda Book, which reflects \$1.2 million in personnel savings and more than \$200,000 in operating savings.

Ms. Rose asked how the savings in personnel was impacting the day-to-day operation of the University. Dr. Andrews said that this past year, the administration had significant flexibility and was able to eliminate some vacant positions, which did not adversely affect their work nor damage the mission of the University. However, he said that this would not be the case this year and that any adjustments would be very thoughtful and strategic.

James Fluty, Director of Accounting and Budgetary Control, said that the Audit Report was much improved and commended his staff on doing a great job.

Mr. Booth also commended staff on a much improved Audit Report.

MOTION: Ms. Dorton moved that the Audit Report be accepted. Ms. Pace seconded the motion.

VOTE: The motion carried.

MOTION: Ms. Dorton moved that the Board approve the amended operating budget for the 2007-08 fiscal year. Mr. Booth seconded the motion.

**First Quarter
Financial Report**

VOTE: The motion carried.

The President recommended:

RECOMMENDATION: That the Board accept the financial statements and amend the operating budget for the first quarter of the fiscal year that will end June 30, 2009.

(First Quarter Financial Report attached to these minutes and marked VI-A-4)

MOTION: Mr. Goodpaster moved that the Board approve the President's recommendation. Ms. Dorton seconded the motion.

VOTE: The motion carried.

The President recommended:

**Order to Dispose of
Property**

RECOMMENDATION: That the Board approve the Order to Dispose of Property related to the razing of Wilson Hall and Regents Hall.

(Additional Background Information and Order to Dispose of Property attached to these minutes and marked VI-A-5)

Mr. Walters said that the University completed the Comprehensive Housing Master Plan in 2006. This plan outlines the strategy for improvement of the University's student housing program over a ten-year period and includes razing several older housing units. Perkins, Carter and Holbrook halls, formerly used as student family housing, and some duplex units used as family housing for students, faculty and staff have been razed.

He said that Wilson Hall and Regents Hall are the next two units scheduled for razing. The Space Science Program, currently located in Regents Hall, will move to the new Space Science Center building next spring. In the short term, the building sites will be cleared and used primarily for parking that will be relocated to accommodate the construction of the Student Recreation Center.

MOTION: Dr. O'Cull moved that the Board approve the President's recommendation. Mr. Merchant seconded the motion.

VOTE: The motion carried.

**PRESIDENT'S
REPORTS****2008 Fall
Enrollment Report**

Dr. Hughes provided a final report on 2008 fall enrollment which is down slightly over the 2007 Fall Semester. Dr. Hughes attributed the decrease to the fact that the University estimated a higher enrollment from several high schools which did not materialize.

Dr. Andrews said that while overall headcount is down, the University has the second highest number of freshmen in the past five years with the highest average ACT in the history of the University which is very positive. Since the freshman class is strong, it is expected that there will be a higher percentage of those students matriculate to graduation. Dr. Andrews said that the University is working on several strategies to increase enrollment and improve retention; however, he cautioned that enrollment will be a continuous challenge.

Mr. Goodpaster indicated that he believed retention was closely tied to advances in advising and asked if improvements had been made in that area.

Dr. Hughes said that her staff is in the process of working on retention and has implemented a number of initiatives. Also, the University is implementing a new e-advising system that allows students to develop multiyear coursework plans and communicate electronically with their advisors.

Dr. Andrews said that in 2005, the persistence rate of a first-time, full-time freshman student from fall of the freshman year to fall of the sophomore year was 61.7 percent. This fall, it is 68 percent. The University achieved that by buying some good students – Governor's Scholars, high performing ACT students -- and raising the admission index to 450. As a result, a number of students with ACTs of 13 or 14, who had very little probability of success based on a data analysis, were not admitted. However, the issue of academic advisement and retention in support services is extremely important. If the University is going to reach its target of 80 percent retention, some changes will need to be implemented.

Dr. Morrison said that while this is good news, he was concerned that credit hour production has continued to drop over the past five years and will this have an impact on the Academic Audit currently underway.

Dr. Andrews said that credit hour production is a gauge of instructional output and is measured by taking the number of credit hours a faculty member teaches multiplied by the number of students in the class. What that means is that the overall productivity on the instructional side is declining. He said that a detailed analysis is currently underway and that has to be a place where we look at rightsizing the University. If we are under producing, where and why? Dr. Andrews said that this likely will determine how personnel and programs are impacted. The faculty and academic administrators are in the process of looking at every academic program on campus to determine if it is a 21st century program and classifying programs into one of five categories. The highest level, which is a stellar program, may be enhanced through resource reallocation, and a program categorized at the lowest level may be deleted or phased out. These data will be used in the evaluation process as we look at rightsizing the University.

**Health Insurance
Plan for 2009**

Mr. Walters and Suzanne Hogge, Associate Director of Compensation and Benefits, reported on Health Insurance for Plan Year 2009. Ms. Hogge said that the four primary objectives of the 2009 health plan were to:

- Continue to maintain high-quality, market-competitive and affordable health care coverage so that we can maintain our ability to recruit and retain superior faculty and staff who carry out the mission of the University.
- Continue with the passive health incentives and introduce an active wellness incentive program.
- Leave existing plans the same and introduce a High Deductable Health Plan (HDHP).
- Incorporate employee suggestions into plan design/philosophy.

Ms. Hogge said that the University will continue its partnership with Humana to provide the University's health care program and also will continue to offer two passive wellness incentives that allow employees to maintain their current 2008 health insurance premiums in 2009. Although the University experienced a 6.2 percent increase for health insurance, it is still below the national average of 10.5 percent.

In 2009, an incentive program will be added to the existing passive incentives called "Live Well, Work Well @ MSU." This program includes a Well Points incentive plan in which employees can participate in wellness related activities and earn points towards reducing their health insurance premiums. In addition, a third plan will be introduced, which is a High Deductable Health Plan (HDHP) and gives employees more choice in plans. The HDHP is a lower premium insurance plan that provides excellent coverage in case of serious illness or injury, pays for preventative care, and opens the introduction of a Health Savings Account concept. *(Complete report on the 2009 Health Insurance Plan contained in VI-B-2)*

In response to a question by Dr. Morrison on the number of people who have signed up for the High Deductable Health Plan, Ms. Hogge said that 18 employees have enrolled in the new plan.

Mr. Goodpaster asked if the University offered health savings accounts. Ms. Hogge said that while the University does not currently offer these accounts, plans are to look at offering such accounts in 2010.

On the aggregate, the University contributes 75 percent to the health insurance program.

Gift Income Report

James Shaw, Vice President for University Advancement, reported on gift income. He said that the newly formatted report includes a gift income summary, giving by source and designation, and Comprehensive Campaign dollars raised. Prior to the public phase of the Campaign, the University needs to lay the foundation in terms of pride raising. Jim

Booth is serving as chair of the Capital Campaign Steering Committee. Mr. Shaw also reported that an e-newsletter is going out monthly to alumni and other constituent groups about MSU.

Recess

Following a five-minute recess, Ms. Lovely called the meeting back to order at 10:45 a.m.

Campus Master Plan

Dr. Andrews said that the third part of the orientation for new Board members was on the Campus Master Plan. Mr. Walters and Gene Caudill, Assistant Vice President for Facilities Management and former Regent, presented the report on the Campus Master Plan.

Mr. Walters distributed a map and information on the Campus Master Plan. The Campus Master Plan supports the University's strategic plan ASPIRE and serves as a guide to help the University manage its capital resources, i.e., land, buildings, roadways, and infrastructure in a manner to achieve the University's long-term goals. He provided historical information on the plan, changes that have taken place since its initial adoption, and where this plan needs to take the University in the future.

During his presentation, Mr. Walters noted that the main campus is composed of 600 acres, some of which is wooded or hillside land that is subject to development. In addition to the main campus, the University owns Sunny Brook Golf Course (160 acres); Eagle Trace Golf Course (135 acres), and the University Farm (420 acres). There are 125 educational and general buildings containing 2.5 million square feet; 16 residence halls; 8 miles of roadway, and 20 acres of parking lots. Facilities Management has 156 full-time authorized positions with approximately 90 percent of those positions filled. In addition, Facilities Management also employs approximately 60 part-time workers.

Dr. Andrews commended Mr. Walters and Mr. Caudill and his team on their hard work to keep the campus looking good. Discussion followed.

President's Progress Report on 2008-09 Initiatives

Dr. Andrews presented a progress report on his goals for the 2008-09 fiscal year. Some of the initiatives on which he focused follow:

Academic Excellence

- Profile of the freshman class
 - Average ACT composite score for the 1,338 members of the 2008 freshman class is 21.5, the highest in MSU's history
 - Number of freshmen with a 450 admission index or 18 ACT composite – the new unconditional admission standards – decreased from 378 in 2007 to 254 in 2008
 - Freshman class is the second largest of the past five years
 - Developing enrollment targets for 2009

- Preliminary Report on Academic Audit has been shared with University community
- General Education review is well underway
- Retention strategies are in various stages of planning and implementation
- Planning for SACS review has begun with Dr. Charles Patrick heading up the initiative
- Next phase of the Campus Diversity Plan is being implemented with a broader definition of diversity

Student Success

- Strategies to improve Developmental Education are being implemented
 - Plans for a revised Summer Success Academy underway and recruitment in process
 - Proposal for a new framework for Developmental Education is under review
- Strategies to improve First-Year programs are being implemented

Productive Partnerships

- Strategic education plan is being developed for the region in partnership with Eastern Kentucky University and Association of Kentucky Independent Colleges and Universities (All colleges in East Kentucky invited to participate in initiative.)
- An inventory of all facility usage and programs provided to local school districts is being conducted
- A dual credit program (STARS) has been established with the Russell Independent School System
- President is traveling to school districts in MSU's service region to meet with students

Improved Infrastructure

- A comprehensive review of faculty salaries is being prepared by rank and discipline. It is anticipated work will be completed by spring.
- Plans are underway for anticipated budget reductions in the current year as well as strategies for addressing a recurring reduction in state appropriations in 2009-10.
- Strategies have been implemented to reduce the "carbon footprint" on campus
 - Downsized the University's gasoline powered vehicles on campus
 - Ordered five electric powered vehicles to replace an additional five light duty gasoline powered trucks

- Placed five battery powered golf carts in service for on-campus use
- Converted all building cleaning systems to "green" chemicals
- Installed several additional bicycle racks on campus and will be working with students, faculty and staff to promote bicycle use
- Phase three of the Segal Study to improve staff salaries is scheduled to become effective with the 2009-10 fiscal year budget

Resource Enhancement

- Continuing to influence CPE, legislators and executive branch members for general fund appropriation increases
 - Met with key legislators and other government officials
 - Hosted November CPE meeting

Dr. Andrews shared information that was submitted to the Council on Postsecondary Education related to the impact an additional 4 percent budget cut would have on the University. Discussion followed.

**BOR MEETING
DATES 2009**

Chair Lovely announced the following meeting dates for 2009:

Work Session – Thursday, February 19

Workshop – Thursday-Friday, February 25-26

Quarterly Meeting – Thursday, March 12

Work Session – Thursday, May 21

Quarterly Meeting – Thursday, June 11

Work Session – Thursday, August 27

Governor's Trusteeship Conference – Thursday-Friday, September 10-11

Quarterly Meeting – Thursday, September 17

Work Session – Thursday, November 19

Quarterly Meeting – Thursday, December 3

She urged Board members to mark their calendars for the workshop on February 25-26 on the Board/President Relationship.

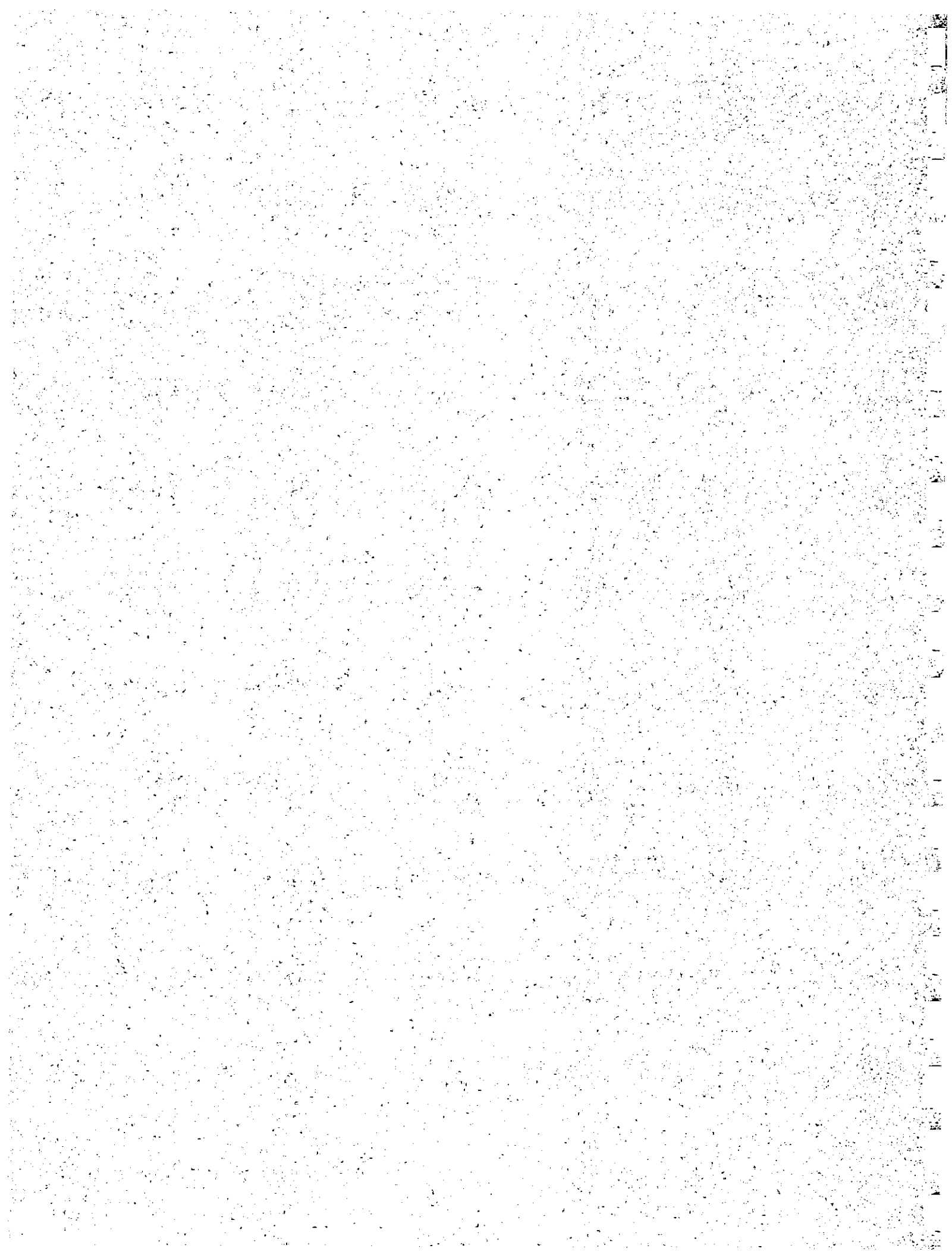
ADJOURNMENT

There being no further business to conduct, Ms. Dorton moved that the meeting adjourn at noon. Ms. Pace seconded the motion. The motion carried.

Respectfully submitted,



Carol Johnson, Secretary
Board of Regents





OFFICE OF THE PRESIDENT

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March 12, 2009

TO: Members, Board of Regents
FROM: Wayne D. Andrews
SUBJECT: Transmittal of Academic Curriculum Audit Executive Summary

The President's Cabinet has received the Academic Curriculum Audit Report and is appreciative of the thoughtful work of the faculty, academic administrators, and support staff who contributed to its development. The Cabinet has approved the steps that will facilitate a transition from the academic curriculum audit assessment phase to the planning and implementation phase.

Planning and implementation will include organizational alignment and support, budgetary allocation and reallocation, as dictated by the state budget climate and other factors. Specific recommendations to the Board of Regents for official action will be developed as appropriate. In this phase, governance documents that apply to organizational realignment and representation will be aligned. In addition, continuous improvement and assessment processes will be established to facilitate future review of academic programs and administrative frameworks that ensure efficiency and effectiveness. An integral component of implementation will be continued involvement of the provost, deans and department chairs in the discussion with faculty and staff in academic units to ensure that organizational and programmatic realignment take place with minimal disruption.

Next Steps

Based on the Cabinet's review of the Academic Curriculum Audit Report, I have taken the following actions:

- Accepted the report recommendation to eliminate the following 17 programs and directed the Provost to work with the appropriate deans to develop a detailed plan and timeline for phasing out within the existing academic policy for program elimination.
 - AAS Agricultural Technology including four options¹
 - AAS Human Sciences/Child Development
 - BS Human Sciences/Child Development
 - AAS Respiratory Therapy/Care
 - BUS in Health Services
 - Fifth year programs in Education
 - MA P-5
 - MA 5-9
 - MA Exceptional Children
 - MA School Administration
 - BBA Business Information Systems
 - AAB Business Information Systems
 - BBA Real Estate
 - BA Music²
 - BA English (Technical and Professional Writing)
 - BA Sociology – Criminology
 - MA Sociology – Gerontology
- Directed the Provost to further assess the 20 academic programs identified in the report as “Enhance.” These programs are to include prioritized enhancement plans developed for each, including specific goals, timelines, and projected resource needs.
- Directed the Provost to develop outcomes and expectations for the 17 academic programs included in the category of “Maintain with Conditions.” Outcomes and expectations are to include specific quality and productivity goals, as well as expected timelines for achievement necessary to be removed from the “Maintain with Conditions” status.
- Directed the Provost to work with the Office of Budgets to conduct a cost assessment of the 89 programs recommended in the “Maintain” and “Enhance” categories.
- Directed the Provost to develop recommended changes in instructional support service and support units to maximize effectiveness and efficiency in support of academic programs.
- Received but not acted upon the various organizational changes recommended in the report. These recommendations will be further analyzed and considered by the Cabinet in an effort to maintain an administrative structure that facilitates academic excellence and student success.

¹ Agronomy, Agricultural Economics, Golf Course Management, and Horticulture

² Phased out in present form

Members, Board of Regents

Page 3

March 12, 2009

Attached is an Executive Summary of the Academic Curriculum Audit Report and a link to the full report, which is available at www.moreheadstate.edu/provost/. I appreciate the Board's support of this initiative and believe that once the recommendations contained in the Audit are implemented, we will be in a position to offer our students programs that will better equip them for success in the 21st century.

Attachment

Academic Curriculum Audit Final Report
Division of Academic Affairs
Morehead State University
Executive Summary

Prepared by:

Karla Hughes, Provost and Vice President for Academic Affairs

March 2009

Background and Process

Initiated in September 2007, the Academic Curriculum Audit was designed to provide an in-depth analysis of all instructional programs. The overarching goal of the Academic Curriculum Audit was to identify the mix of academic programs appropriate for Morehead State University to offer as a 21st century institution. The scope and magnitude of the undertaking reinforced the essential operating premise that both the process and the outcomes have integrity, are driven by collective best efforts, and offer opportunities for growth, change, and potential excellence that do not exist through maintenance of the status quo. Under the leadership of the Provost's Council through direct discussion and input by the five academic deans, the process includes faculty involvement, participation, and opportunity for input and feedback. Directly linked to the University's mission and strategic plan especially in the areas of academic excellence and student success, the process includes analysis of data to support informed recommendations at each stage.

Robert Dickeson's book, *Prioritizing Academic Programs and Services: Reallocating Resources to Achieve Strategic Balance* (San Francisco: Jossey-Bass, 1999) provided foundations, principles, and a strong link to best practices in higher education. His campus visit provided opportunities for discussion and further articulation of goals and framework. Work teams from the Provost's Council developed and compiled review materials, standardized the formats for collecting and reporting information, and planned and conducted training for audit teams.

The Final Audit Report provided recommendations by college that synthesize the original Audit Reports at program, department, and college levels; considered and in most cases incorporated feedback from the initial recommendations made in September; and took into account audit responses received in December through the audit teams, departments, and individual faculty. In some cases, budget considerations necessitated significant alterations to Campus Audit recommendations, but where possible the intent of those recommendations was preserved but cost contained. Based on parameters established in the original audit process, audit recommendations were framed in common format with associated rationales. A brief summary of recommendations by college is included at the end of this Executive Summary report.

The complete audit report is available online at www.moreheadstate.edu/provost/. Recommendations in the report include the assignment of each academic program into one of the following categories. The number of programs in each category is shown in parentheses.

1. Enhance (20)
2. Maintain and Improve (33)
3. Maintain with Modifications (19)
4. Maintain with Conditions (17)
5. Delete or Phase Out (17)

In addition, 10 new programs have been proposed as a result of the evaluation process.

Summary of Recommendations by College

Recommendations and proposals emerging from the Academic Audit process in the **College of Science and Technology** invest in reorganization strategies to align academic programs within functional discipline-related strands that enhance program effectiveness and create budgetary efficiencies. A defining theme in the Science and Technology reorganization is the creation of a School of Health Sciences. This school provides the administrative and academic framework that positions MSU to take advantage of the enormous growth potential in health-related programs in the region. Significant reorganization became necessary with the decision to align the four academic units within the Department of Physical Sciences to other academic departments within the College. Because the academic programs in Physical Sciences are STEM disciplines, all programs are to be maintained, but Earth Systems and Physics are identified for restructuring. In addition, recommendations for other programs in the College include renaming the Department of Agriculture and Human Sciences to Department of Agricultural Sciences and enhancing programs in Biology, Psychology, Nursing, Imaging Sciences, and Engineering Technology.

Recommendations for the **College of Education** are generally organizational in nature and reflect strategies for defining or redefining programs in response to mandates from regulatory groups. Additionally, the College of Education recommends enhanced coordination among all teacher preparation programs across colleges. College of Education programs must meet requirements and standards set by the Kentucky Educational Professional Standards Board (EPSB) for credentialing and state accreditation, and the National Council for the Accreditation of Teacher Education (NCATE). Recommendations for reorganization and relocation of departments provide a more coherent alignment of programs and a more responsive support system for students, faculty, and programs across campus. Deletion of graduate programs and development of the new master's and certificate programs are in response to mandates from the EPSB and are aligned with the College's regional engagement focus.

The recommendation that the Institute for Regional Analysis and Public Policy (IRAPP) be integrated into the administrative structure of the **College of Business** was supported at all levels. This merger results in a reconfiguration of the College of Business into the College of Business and Public Affairs. The MPA and MBA programs as well as the Small Business Management/Entrepreneurship focus and a proposed Healthcare Administration program have been recommended for enhancement. Because it is closely aligned with business programs, it is recommended that the Sport Management program be moved to the College of Business.

The **Caudill College of Humanities** has recommended the organizational structure be altered with programs reconfigured to foster and improve efficiency, effectiveness, and excellence. To facilitate this, it is recommended that the College be organized into a School of the Arts and a School of Humanities and Social Sciences. Programs would be aligned within these schools according to academic discipline. In addition, the establishment of a Department of Communication, Media and Leadership within the School of the Arts separate from Theatre is recommended. This organizational change reflects the current programs in the communications and media disciplines as do the proposed programs and affiliated work in leadership and forensics. A hallmark of the proposed School of Humanities and Social Sciences would be a new Department of International and Interdisciplinary Studies, the combination of academic programming in foreign languages, interdisciplinary, and international programs.

CPE RESOLUTION

**BOR (VI-A-1)
March 12, 2009**

BE IT RESOLVED by the Board of Regents of Morehead State University that the University is exercising its option for a Qualitative Waiver to submit new academic program proposals to the Council on Postsecondary Education during calendar year 2009 for the Council's review under the provisions of the *1997-2002 Kentucky Plan for Equal Opportunities in Postsecondary Education*.

ADOPTED this twelfth day of March 2009.

ATTEST:

Secretary, Board of Regents

Chair, Board of Regents

President, Morehead State University

TENURE WITH PROMOTION, 2009

**BOR (VI-A-2)
March 12, 2009**

Recommendation:

That the Board of Regents approve the granting of tenure and promotion to those who are assistant professors to the associate professor rank for the following faculty members with the issuance of their contracts for the 2009-2010 year:

Dr. Ahmad Hassan, assistant professor management
Dr. Jennifer Dearden, assistant professor HPES
Dr. Ann Rathbun, assistant professor health education
Dr. Sam Wright, assistant professor education - PPE
Dr. Ann Andaloro, assistant professor mass communication
Dr. Kathryn Carlson, assistant professor English
Dr. Chris Holbrook, assistant professor English
Dr. Verdie Craig, assistant professor geography
Dr. June Grice, assistant professor music
Dr. Latonya Hesterberg, assistant professor social work
Dr. Shondrah Nash, assistant professor sociology
Dr. Janelle Hare, assistant professor biology
Dr. J. Michael Dobranski, assistant professor mathematics
Dr. Timothy O'Brien, assistant professor mathematics
Stephanie Johnson, assistant professor nursing
Dr. Gilbert Remillard, assistant professor psychology
Dr. Timothy Hare, assistant professor anthropology
Dr. Christine McMichael, assistant professor geography

Background:

Assistant professors who successfully gain tenure are automatically promoted to the rank of associate professor without further review by the University Promotion Committee. Faculty members are responsible for developing their own tenure portfolios for submission to their peers and administrative supervisors for analysis and review during the first semester of the last year of their probationary period. These portfolios are reviewed by departmental committees, as well as by the candidate's department chair and college dean. The University Tenure Committee receives and reviews the recommendations from these peer groups and administrators and forwards its recommendations to the Provost. The President, based upon recommendations from the Provost, submits his recommendations to the Board of Regents.

**APPROVE AMENDED PAc-1
DEFINITION OF ACADEMIC TITLES**

**BOR (VI-A-3)
March 12, 2009**

Recommendation:

That the Board of Regents approve the revision to PAc-1, Definition of Academic Titles.

Background:

PAc-1, Definition of Academic Titles, needed to be changed to address the language in regard to Clinical Faculty Appointments. This change will allow the hiring of current or former clinical staff employees of external clinical affiliates. Language in PAc-1 was changed to reflect the change in title of the EVPAA and Dean of Faculty to the title of Provost and Vice President for Academic Affairs. To address these changes, the Professional Policies Committee of the Faculty Senate recommended and the Provost and President approved, that PAc-1 be revised to reflect these changes.

Policy: PAC-1

Subject: Definition of Academic Titles

Approval Date: 07/01/85

Revision Date: 05/12/95

PURPOSE:

To describe the academic titles and the qualifications necessary for appointments or promotion to them.

EARNED DEGREES:

In assessing candidates' credentials for personnel actions, the University will accept only those degrees earned at institutions in the United States that have been accredited by regional higher education accrediting associations and professional accrediting associations in disciplines in which such accrediting takes place or foreign degrees that have been earned at institutions recognized by their respective governments. These earned degrees are the only ones that the University will acknowledge for appointment, determination of rank, or subsequent personnel decisions. Further, misrepresentation of such information by an individual can be cause for termination of employment.

TERMINAL DEGREE:

The terminal degree will be considered an earned doctorate from an accredited institution in the individual's teaching field as recognized by the Southern Association of Colleges and Schools. Exceptions will be those non-doctoral degrees considered to be terminal degrees by discipline-specific accrediting bodies recognized by the Commission on Recognition of Postsecondary Accreditation (CORPA).

REGARDING THE CRITERIA FOR RANKS:

The minimal criteria set forth for these ranks should not be interpreted as an exclusive set of conditions to be met or so rigidly applied as to prevent the appointment or promotion when an individual submits an approved record of outstanding professional experiences and demonstrated contributions to the teaching field in lieu of formal academic preparation. These criteria may be supplemented by departmental and/or college requirements agreed upon by the faculty of the department and colleges. Deans and/or Department Chairs must inform faculty members and the University Faculty Promotion Committee of all supplemental requirements for promotion.

GENERAL ACADEMIC RANKS:

These following ranks are recognized by the University.

1. Lecturer. This title is used for appointments of nonregular faculty members who teach on a temporary or casual basis or if on a continuing basis for less than full-time. The minimum qualifications is the master's degree with 18 graduate semester hours in the teaching field or an approved record of outstanding professional experience and demonstrated contributions to the teaching field.

Individuals whose entire teaching assignment is composed of remedial courses can also qualify for the title with the baccalaureate degree in the teaching field as well as experience appropriate to this teaching assignment or graduate training in remedial education.

2. Instructor. This title is for an individual whose primary responsibility is teaching. The minimum qualification for this fixed-term, non-tenurable faculty rank is a master's degree with at least 18 graduate semester hours in the teaching field.

Other individuals whose entire teaching assignment is composed of remedial courses can also qualify for this fixed-term non-tenurable rank with the baccalaureate degree in the teaching field as well as with experience appropriate to this teaching assignment or graduate training in remedial education.

3. Assistant Professor. The terminal degree in the teaching field is expected for this rank.

4. Associate Professor. The Associate Professor shall possess the terminal degree in the teaching field, and if the rank is granted upon appointment, there must be evidence of scholarly, artistic, or professional achievements. Otherwise, a faculty member must have been an Assistant Professor for a minimum of four years, three of which must have been at Morehead State University and meet the criteria required in PAc-2. Consistent with PAc-2, this rank will be awarded to assistant professors who successfully complete their probationary periods and achieve tenure.

5. Professor. The terminal degree in the teaching field is required, and if the rank is granted upon appointment, there must be evidence of scholarly, artistic, or professional achievements. This rank should be reserved for persons of proven stature in their fields. When considered for promotion to this rank, in addition to meeting the above requirements, a faculty member must have been an Associate Professor for a minimum of five years, two of which must have been at Morehead State University, and must show evidence of outstanding teaching, professional achievement, and service to the University during that period, and meet the criteria required in PAc-2.

CLINICAL FACULTY APPOINTMENTS:

A Clinical Faculty Appointment is used for current or former staff employees of external clinical affiliates associated with such programs of study at the University.

VISITING APPOINTMENTS:

Visiting appointment titles (see Types of Appointments PG-3) are used to designate individuals from other institutions or employees who are employed either full-time or part-time for a limited period of time (usually no more than a year). The titles used for these visiting appointments will be determined by the academic unit and approved by the ~~Executive Vice President for Academic Affairs and Dean of Faculty~~ Provost and Vice President for Academic Affairs.

**APPROVE AMENDED PAc-6
MEMBERSHIP ON GRADUATE FACULTY**

**BOR (VI-A-4)
March 12, 2009**

Recommendation:

That the Board of Regents approve the revision to PAc-6, Membership on Graduate Faculty.

Background:

PAc-6, Membership on Graduate Faculty, was changed to streamline the process by which faculty are appointed to Full and Associate Graduate Faculty status. Faculty who attain this status shall hold the terminal degree as defined in PAc-1. To address these changes the Professional Policies committee of the Faculty Senate recommended and the Provost and President approved, that PAc-6 be revised to reflect these changes.

~~APPOINTMENT PROCEDURE:~~

The following procedure shall be used for nomination and review of

1. When the department chair of an academic department determines that he/she needs to assign graduate responsibility to a faculty member who is not already a full member of the graduate faculty, he/she shall seek the recommendation of the departmental graduate faculty and then shall nominate, in writing, the individual faculty member for Associate or Full (in the case of an experienced graduate faculty from another institution) membership on the graduate faculty either with or without the approval of the departmental graduate faculty.

2. The department chair forwards the nomination, with supporting documentation (curriculum vita) to the respective college dean who forwards this with his/her recommendation to the College Graduate Committee. The supporting documentation shall provide evidence of teaching excellence, professional activities, and university/community service.

3. Upon approval of the College Graduate Committee, the nomination and supporting documentation are forwarded to the University Graduate Committee. If the nomination is rejected, justification shall be provided to the nominee and the department chair.

4. The University Graduate Committee will make the final determination regarding the nominee's appointment as an Associate Member of the graduate faculty.

5. The Dean of Graduate and Extended Campus Programs will inform the nominee, department chair, respective college dean, and the Executive Vice President for Academic Affairs and Dean of Faculty of the decision of the University Graduate Committee.

6. If the faculty candidate for Graduate Faculty membership is to teach a graduate course(s), the University Graduate Committee must approve the appointment of Associate Members at least two weeks before scheduled graduate courses begin; otherwise, only temporary status may be granted for the current semester by the Dean of Graduate and Extended Campus Programs.

TEMPORARY APPOINTMENTS—
CRITERIA FOR ASSOCIATE MEMBERSHIP:

When, due to extraordinary circumstances, a member of the graduate faculty is unavailable to teach a previously scheduled course and circumstances will not permit appointment under normal procedures, the Dean of Graduate and Extended Campus Programs may temporarily appoint a faculty member to temporary status on the graduate faculty. Temporary appointments are for one semester only. At the time of the temporary appointment, the department chair requesting the appointment must initiate the regular appointment procedure.

In all other respects, a temporary appointee must meet the qualifications and expectations of a graduate faculty member.

The Dean of Graduate and Extended Campus Programs will inform all appropriate persons, including the University Graduate Committee, of his/her decision and direct that the procedure for nomination for Associate Membership be initiated.

When the chair of an academic department determines that he/she needs to assign graduate responsibility to a faculty member who does not qualify for Full Membership in the graduate faculty, he/she shall nominate that faculty member for Associate Membership.

The following criteria must be met to be considered for Associate Membership:

1. An earned terminal degree as defined by PAC-1 in the appropriate teaching discipline or, in the absence of this degree, at least two of the following: an exceptionally high level of scholarly productivity, teaching competency, exceptional professional activities in the discipline, or relevant experience.
2. A graduate level institutional need (e.g. teaching, advising, program development, committee service, etc. as documented by the department chair and approved by the college dean).

All Associate Memberships shall be one, two, or three academic year appointments, as determined, based on the recommendation by the department chair and college dean, by the College or University Graduate Committee. Associate Memberships are renewable based on documented need.

PROCEDURE FOR GRANTING ASSOCIATE MEMBERSHIP:

1. The department chair shall nominate, in writing, the individual for Associate Membership.

2. The department chair will forward the nomination, along with the nominee's curriculum vita and statement of institutional need, to the respective college dean who will forward this with his/her recommendation to the College Graduate Committee which will either approve or reject the nomination. If the nomination is approved, the committee shall grant Associate Membership to the nominee and shall inform all appropriate persons, including the Dean of Undergraduate and Graduate Programs, of their decision. If the nomination is rejected, justification shall be provided to the nominee and the department chair.

3. If the nomination is rejected by the College Graduate Committee, the department chair may appeal the decision to the University Graduate Committee which will make the final determination regarding the nomination. The University Graduate Committee shall inform all appropriate persons of their decision.

4. When, due to extraordinary circumstances, a member of the graduate faculty is unavailable to teach a previously scheduled course and circumstances will not permit appointment under normal procedures, the Dean of Undergraduate and Graduate Programs may temporarily appoint a faculty member to Associate Membership on the graduate faculty. Such appointments shall be for one academic year only and shall not be renewed or extended without the approval of the College or University Graduate Committee. The Dean of Undergraduate and Graduate Programs will inform all appropriate persons, including the University Graduate Committee, of his/her decision.

5. At least two months prior to the end of the appointment of an Associate Member, the Dean of Undergraduate and Graduate Programs will inform that member and all other appropriate persons of that end and the process required to renew the Associate Membership.

REVIEW OF MEMBERSHIPS:—

Reviews of membership are made in accordance with the following schedule and principles:

- ~~1. Associate Members of the graduate faculty will be reviewed by the appropriate departmental graduate faculty, department chair, college graduate committee, college dean and the University Graduate Committee after the first year of membership to determine if an individual should be granted Full Membership on the graduate faculty.~~
- ~~2. Full Members of the graduate faculty will be reviewed by the appropriate College Graduate Committee and the University Graduate Committee every fifth year of membership to determine if an individual should continue on the graduate faculty.~~
- ~~3. In the review process, faculty will be evaluated according to the criteria in the section Criteria for Membership.~~
- ~~4. In response to the review process, the University Graduate Committee can:~~
 - ~~a. Grant Full Membership to the Associate Member,~~
 - ~~b. Renew Full Membership for five years,~~
 - ~~c. Deny Full Membership to the Associate Member,~~
 - ~~d. Downgrade the Full Member to an Associate Member, or~~
 - ~~e. Remove Full Member from the graduate faculty.~~
- ~~5. A faculty member may appeal the outcome of the review process to the Faculty Rights and Responsibilities Committee as provided by PAC-18.~~
- ~~6. The Dean of Graduate and Extended Campus Programs will inform in writing all appropriate persons of the decisions of the University Graduate Committee within 30 working days after the decision.~~

BACHELOR OF FINE ARTS IN CREATIVE WRITING

BOR (VI-A-5)
March 12, 2009

Recommendation:

That the Board of Regents approve the Bachelor of Fine Arts in Creative Writing program.

Background:

The BFA degree in Creative Writing will offer study in three major genres of creative writing: fiction, poetry, and creative nonfiction. In addition to creative writing courses, the BFA degree will emphasize a foundation in English and literature by requiring 21 hours in traditional English and literature courses. A language course is also required.

The BFA in Creative Writing program will share many of the goals of MSU's BA in English program. Additionally the BFA program will prepare students to be proficient in writing multiple genres of creative writing; to pursue intensive study in creative writing at the graduate level; and to attain and develop the knowledge and skills necessary to pursue careers in creative writing. (Such skills include but are not limited to the following: (1) how to prepare manuscripts for publication, (2) how to research publication opportunities, (3) how to network with writers, editors, and publishers, (4) how to search and apply for funding to support creative writing projects, such as state and federally funded grants, (5) how to seek opportunities for employment in fields that rely on skills related to creative writing.) Students will be encouraged to seek internship opportunities. Admittance to the program will be competitive and limited to 10-15 students per year.

This would be the only BFA degree offered by a public university in Kentucky. The program has been posted on the CPE Web site for review and comments by other institutions and has been released by the CPE for governing board approval.

Analysis:

The proposed program was planned with the assistance of the MSU English department and through reference to such sources as the Associated Writing Programs *Guide for Creative Writing Programs*, the Kentucky Arts Council, and a study by **THE UK CENTER FOR BUSINESS AND ECONOMIC RESEARCH** that estimates the economic impact in Kentucky of artists affiliated with the Kentucky Arts Council.

That interest in creative writing is pronounced in the MSU service region is made evident by the many writing organizations, conferences and workshops such as the Appalachian Writers Association, the Kentucky State Poetry Society, and the Southern Appalachian Writers cooperative, the Kentucky Writers Conference, the Kentucky Women's Writers Conference, and the

Appalachian Writers Workshop. Interest in creative writing among the student body of MSU has been consistently strong in recent years with high enrollment in creative writing courses and an average of 40 creative writing minors maintained. Within the past three years we have had four students gain admittance to MFA programs.

No other public institutions in Kentucky or within the MSU service region offer a BFA in creative writing. The opportunity exists for MSU to offer a BFA in creative writing to students who would not otherwise have the opportunity to pursue this degree. This would include all students seeking their education within the public university system but particularly those within the MSU service area of East Kentucky.

This program has the potential to grow at MSU. With competitive admittance to the program, we will limit enrollment to 10 – 15 students in the first year, with incremental increases each year. After 4 years we will reassess the program, possibly seeking an additional assessment by the Associated Writing Programs.

RATIFY PERSONNEL ACTIONS

BOR (VI-A-6)
March 12, 2009

Recommendation:

That the Board ratify the Personnel Actions for the period November 15, 2008, through February 13, 2009.

Background:

The Personnel Action Request Report includes actions related to:

- 1) full-time and continuing part-time faculty, librarians and Executive, Administrative and Managerial employees, excluding supplemental actions not listed under Item 3, below;
- 2) full-time and continuing part-time non-classified Executive, Administrative and Managerial and Professional Staff positions (including supplemental actions);
- 3) supplemental actions for faculty acquiring managerial duties, excluding normal grant activities;
- 4) discipline;
- 5) leave of absences
- 6) sabbaticals; and
- 7) retirements.

MOREHEAD STATE UNIVERSITY
STANDING I AND STANDING II POSITIONS SUMMARY
2/13/09

| <u>DEPARTMENT NAME</u> | <u>July 1 Authorized Positions</u> | <u>Current Authorized Positions</u> | <u>+/- Position Adjustments</u> | <u>Current Position Strength</u> | <u>% Current Strength</u> |
|-------------------------------------------------|--------------------------------------------|---------------------------------------------|-----------------------------------------|------------------------------------------|-----------------------------------|
| OFFICE OF THE PRESIDENT | 4.50 | 4.50 | 0.00 | 4.50 | 100.00 |
| DIVISION OF UNIVERSITY RELATIONS | 33.00 | 0.00 | -33.00 | 0.00 | 0.00 |
| DIVISION OF UNIVERSITY ADVANCEMENT | 17.00 | 49.00 | 32.00 | 44.00 | 89.80 |
| DIVISION OF PLANNING, BUDGETS AND TECHNOLOGY | 56.50 | 56.50 | 0.00 | 55.50 | 98.23 |
| DIVISION OF ADMINISTRATION AND FISCAL SERVICES | 73.00 | 73.00 | 0.00 | 68.00 | 93.15 |
| FACILITIES MANAGEMENT | 155.70 | 155.70 | 0.00 | 139.70 | 89.72 |
| DIVISION OF STUDENT LIFE | 155.55 | 155.55 | 0.00 | 146.55 | 94.21 |
| DIVISION OF ACADEMIC AFFAIRS | 53.50 | 53.50 | 0.00 | 49.00 | 91.59 |
| CAUDILL COLLEGE OF HUMANITIES | 158.70 | 159.25 | 0.55 | 155.25 | 97.49 |
| COLLEGE OF BUSINESS | 51.00 | 51.00 | 0.00 | 47.00 | 92.16 |
| COLLEGE OF EDUCATION | 110.50 | 111.50 | 1.00 | 100.50 | 90.13 |
| COLLEGE OF SCIENCE AND TECHNOLOGY | 160.30 | 159.80 | -0.50 | 147.30 | 92.18 |
| INSTITUTE FOR REGIONAL ANALYSIS & PUBLIC POLICY | 16.50 | 16.50 | 0.00 | 15.50 | 93.94 |
| GRADUATE AND UNDERGRADUATE PROGRAMS | 28.00 | 28.00 | 0.00 | 25.00 | 89.29 |
| CAMDEN-CARROLL LIBRARY | 38.00 | 38.00 | 0.00 | 36.00 | 94.74 |
| | 1111.75 | 1111.80 | 0.05 | 1033.80 | 92.98 |

NOTE: Positions are expressed in terms of full-time equivalency.

DEFINITIONS OF THE DIFFERENT KINDS OF APPOINTMENTS

- Full-Time Standing:** A Full-Time Standing Appointment designates an appointment that is full-time and for which no ending date is specified. Such appointments are terminable in accordance with the appropriate University policy. Full-time Standing Appointments must be backed with budgeted funds. Full-Time Standing Appointments may be used for all four payroll classification categories namely 1) Academic; 2) Administrative; 3) Staff Exempt; and 4) Staff Nonexempt (see PG-2). Full-Time Standing Appointments may be specified for nine, ten, eleven, or twelve months per fiscal year. This type of appointment is provided all regular University benefits.
- Full-Time Fixed:** A Full-Time Fixed Appointment designates an appointment that is full-time for a fixed period of time and for which an ending date is specified. Such appointments may be specified for nine, ten, eleven, or twelve months. The appointments do not have to be backed by permanent funds. Full-Time Fixed Appointments may be used for all four payroll classification categories namely 1) Academic; 2) Administrative; 3) Staff Exempt; and 4) Staff Nonexempt (see PG-2). This includes instructors and any other individuals in a classification covered by the tenure regulations. Such appointments are discontinued automatically at the specified ending date. Appointments may be terminated before the ending date for cause or business necessity. Full-Time Fixed Appointments may be renewed. Persons appointed to Full-Time Fixed Appointments are not converted to Full-Time Standing Appointments without an appropriate search or search waiver. This type of appointment is provided all regular University benefits.
- Supplemental:** A Supplemental Appointment designates an appointment which is supplementary to a Full-Time Standing or Full-Time Fixed Appointment and has the effect of providing an additional contractual provision beyond the term of the Full-Time Standing or Full-Time Fixed Appointments. For example, a Supplemental Appointment may be used if an individual whose regular appointment is for nine months but whose appointment is extended for one to three additional months. Supplemental Appointments will also be used to designate those appointments which are supplementary to Full-Time Standing or Full-Time Fixed Appointments to compensate for approved additional services normally outside the scope of regular duties. For example, A Supplemental Appointment can be used when an eligible employee is employed to teach a course for additional compensation. Regular University benefits, except sick leave and vacation accrual, continue with a Supplemental Appointment.

APPOINTMENT STATUS ACTIONS

11/15/2008 - 2/13/2009

| Department/Office | Name | Effective Date | Ending Date | Title | Contract Months | Salary | Employment Status | Employment Action |
|-----------------------------------------|---------------------|----------------|-------------|------------------------------------|-----------------|--------------|---------------------------------|--------------------------|
| Hires | | | | | | | | |
| Athletics-Football | Tenyer, Robert | 01/01/09 | 12/31/09 | Assistant Football Coach | 12 | \$45,263.00 | Full-Time Fixed | Renewal |
| Athletics-Football | Ballard, D. Matt | 01/01/09 | 12/31/09 | Head Football Coach | 12 | \$101,000.00 | Full-Time Fixed | Renewal |
| Athletics-Football | Dunn, Gary | 01/01/09 | 12/31/09 | Assistant Football Coach | 12 | \$51,000.00 | Full-Time Fixed | Renewal |
| Athletics-Football | Garner, Christopher | 01/01/09 | 12/31/09 | Assistant Football Coach | 12 | \$36,887.00 | Full-Time Fixed | Renewal |
| Athletics-Football | Gilliam, John | 01/01/09 | 12/31/09 | Assistant Head Football Coach | 12 | \$58,324.00 | Full-Time Fixed | Renewal |
| Athletics-Football | Humphries, Paul | 01/01/09 | 12/31/09 | Assistant Football Coach | 12 | \$36,450.00 | Full-Time Fixed | Renewal |
| Athletics-Women's Soccer | Lipka, Warren | 02/02/09 | 06/30/09 | Head Women's Soccer Coach | 12 | \$46,000.00 | Full-Time Fixed, Prob. | New |
| Athletics-Women's Soccer | Liberto, Christine | 01/01/09 | 12/31/09 | Assistant Soccer Coach | 12 | \$25,000.00 | Full-Time Fixed | Renewal |
| Athletics-Women's Volleyball | Gordon, James | 01/01/09 | 12/31/09 | Head Women's Volleyball Coach | 12 | \$51,001.00 | Full-Time Fixed | Renewal |
| Athletics-Women's Volleyball | Goral, Gregory | 01/01/09 | 12/31/09 | Assistant Volleyball Coach | 12 | \$36,000.00 | Full-Time Fixed | Renewal |
| College of Business | Rowe, Joe | 01/12/09 | | Dir., Paintsville Area Innov. Ctr. | 12 | \$45,000.00 | Full-Time Fixed, Prob. | New |
| Industrial Education & Technology | Adhikari, Sanjeev | 01/12/09 | | Asst. Prof. of IET | 9 | \$56,540.00 | Full-Time Standing | New |
| Industrial Education & Technology | Joshi, Nilesh | 02/02/09 | | Asst. Prof. of IET | 9 | \$56,540.00 | Full-Time Standing | New |
| Professional Programs in Education | Jones, Melanie | 01/05/09 | | Asst. Prof. of Adult & Higher Ed. | 9 | \$46,000.00 | Full-Time Standing | New |
| Professional Programs in Education | Nabb, Lee | 01/05/09 | | Asst. Prof. of Adult & Higher Ed. | 9 | \$46,000.00 | Full-Time Standing | New |
| Provost Office | Van Meter, Gary | 10/01/08 | 06/30/09 | Interim Assistant to Provost | 9 | \$38,933.00 | Retired Re-Employment Full-Time | New |
| Leaves | | | | | | | | |
| Agricultural Sciences-Farm | Pickett, Nick | 11/10/08 | 11/14/08 | Horticulture Technician | 12 | \$11.28 | | Suspension-Without Pay |
| Carl D. Perkins Voc. Rehab. Train. Ctr. | Mollett, Sherri | 11/06/08 | 12/03/08 | Cook/Food Services Worker | 12 | \$7.34 | | Medical-Without Pay |
| Facilities Mngt.-Building Services | Ingle, William | 01/21/09 | 01/27/09 | Building Services Technician | 12 | \$9.08 | | Suspension-Without Pay |
| Information Systems | Choi, Haiwook | 01/05/09 | 05/08/09 | Assoc. Prof. of CIS | 9 | \$95,588.00 | | Sabbatical-With Pay |
| Terminations | | | | | | | | |
| Accounting & Budgetary Control | Dehart, Kassandra | 02/10/09 | | Business Cashier | 12 | \$9.53 | | Probationary Release |
| Adult Learning Center | McKinney, Jennifer | 12/31/08 | | Coordinator/ABE Teacher | 12 | \$40,489.00 | | Retirement |
| Athletics | Kissinger, Brenda | 12/31/08 | | Secretary Specialist | 12 | \$14.36 | | Retirement |
| Athletics-Women's Soccer | Aubry, Erin | 12/23/08 | | Head Women's Soccer Coach | 12 | \$46,001.00 | | Resignation |
| Athletics-Women's Soccer | Liberto, Christine | 01/09/09 | | Assistant Soccer Coach | 12 | \$25,000.00 | | Resignation |
| English, Foreign Lang. & Phil. | Cano, Vicente | 05/08/09 | | Professor of Romance Languages | 9 | \$73,040.00 | | Retirement |
| Facilities Mngt.-Building Maintenance | Tabor, Allen | 12/31/08 | | Maintenance Technician II | 12 | \$13.21 | | Retirement |
| Facilities Mngt.-Building Services | Kegley, Linda | 12/31/08 | | Building Services Supervisor | 12 | \$14.88 | | Retirement |
| Facilities Mngt.-Building Services | White, Sharon | 12/31/08 | | Building Services Technician | 12 | \$10.33 | | Retirement |
| Facilities Mngt.-General Services | Lands, Sam | 12/31/08 | | Warehouse Supervisor | 12 | \$16.69 | | Retirement |
| Facilities Mngt.-Motor Pool | Stegall, James | 12/31/08 | | Motor Pool Supervisor | 12 | \$16.60 | | Retirement |
| Facilities Mngt.-Power Plant | Jessee, Wayne | 12/31/08 | | Heating & Water Plant Operator III | 12 | \$17.53 | | Retirement |
| Honors Program | Jennings, Edwina | 12/31/08 | | Secretary Specialist | 12 | \$13.08 | | Retirement |
| Industrial Education & Technology | Mohammed, Jaby | 12/13/08 | | Asst. Prof. of IET | 9 | \$56,594.00 | | Resignation |
| KET-GED on TV | Jackson, Sharon | 12/31/08 | | Project Director | 12 | \$70,607.00 | | Retirement |
| Leadership Learning Community | Gunnell, Joyce | 12/31/08 | | Administrative Secretary | 12 | \$13.08 | | Retirement |
| Nursing-ADN | King, Diana | 05/09/09 | | Asst. Prof. of Nursing | 9 | \$49,199.00 | | Resignation |
| Testing Center | Stevens, Vanessa | 12/31/08 | | Director of Testing | 12 | \$52,300.00 | | Retirement |
| University Relations | Kappes, Keith | 12/31/08 | | VP for University Relations | 12 | \$126,346.00 | | Retirement |
| University Store | Jones, Peg | 12/31/08 | | Customer Service Specialist | 12 | \$11.77 | | Retirement |
| Other | | | | | | | | |
| Athletics | Dunn, Melissa | 10/01/08 | | Senior Associate Director | 12 | \$57,243.00 | | Reclassification |
| Camden Carroll Library | Howard, John | 12/28/08 | | Librarian I | 12 | \$37,500.00 | | Probation Completed |
| Carl D. Perkins Voc. Rehab. Train. Ctr. | Conley, Tamela | 01/03/09 | | Cook/Food Services Worker | 12 | \$7.20 | | Probation Completed |
| Health, PE & Sports Sciences | King, Kristi | 01/12/09 | | Asst. Prof. of Health Education | 9 | \$45,500.00 | | Advanced Degree Increase |
| MSU Police | Sparks, James | 10/18/08 | | Chief of Police | 12 | \$71,000.00 | | Probation Completed |
| Nursing-ADN | Corley, Donna | 01/01/09 | | Assoc. Prof. of Nursing | 9 | \$69,202.00 | | Advanced Degree Increase |
| Physical Sciences | O'Keefe, Jennifer | 01/01/09 | | Asst. Prof. of Science | 9 | \$46,000.00 | | Advanced Degree Increase |
| University Advancement | Shaw, James | 08/30/08 | | VP for University Advancement | 12 | \$161,000.00 | | Probation Completed |
| Total Number of PARs = 45 | | | | | | | | |

SUPPLEMENTAL ACTIONS
11/15/2008 - 2/13/2009

| Name | Title | Department/Office | Effective Date | Ending Date | Salary | Description |
|----------------------------------------------|---------------------------------------|--------------------------------------|-----------------------|--------------------|---------------|-----------------------------------------|
| Aubry, Erin | Head Women's Soccer Coach | Athletics-Soccer | 12/15/08 | 12/15/08 | \$1,615.00 | Awards for Excellence |
| Faulkner, Cynthia | Assoc. Prof. of Social Work | Sociology, Social Work & Criminology | 11/19/08 | 12/15/08 | \$5,000.00 | Director of PCWCP-Morehead/Mt. Sterling |
| Gniot, Phil | Director of Human Resources | Human Resources | 01/01/09 | 03/31/09 | \$2,245.00 | Affirmative Action Officer |
| Goral, Gregory | Assistant Volleyball Coach | Athletics-Women's Volleyball | 12/15/08 | 12/15/08 | \$1,207.00 | Awards for Excellence |
| Gordon, James | Head Women's Volleyball Coach | Athletics-Women's Volleyball | 12/15/08 | 12/15/08 | \$1,529.00 | Awards for Excellence |
| Hesterberg, Latonya | Asst. Prof. of Social Work | Sociology, Social Work & Criminology | 12/15/08 | 06/30/09 | \$9,000.00 | Director of PCWCP-Ashland/Prestonsburg |
| Rudy, David | Assoc. Provost Reg. Eng. & Dean IRAPP | Regional Stewardship | 07/01/08 | 01/31/09 | \$3,500.00 | Assoc. Provost for Regional Engagement |
| Tyndall, Donald | Head Men's Basketball Coach | Athletics-Men's Basketball | 11/03/08 | 03/03/09 | \$3,000.00 | Tyndall Show |
| Total Number of Supplemental PARs = 8 | | | | | | |

**APPROVE CONTRACTS FOR
BANKING SERVICES**

**BOR (VI-A-7)
March 12, 2009**

Recommendation:

That the Board exercise the option to renew the banking services contracts for the period July 1, 2009, to June 30, 2010, with US Bank of Morehead for the main campus banking, and with Citizens National Bank in Ashland, Commercial Bank in West Liberty, Citizens National Bank in Prestonsburg, Citizens Bank and Trust in Jackson, and Traditional Bank in Mt. Sterling to continue to serve as depositories for funds collected at the regional campuses.

Background:

The University is required by KRS Chapters 41 and 164A to designate depository banks for all funds collected. The methods for securing such services are set forth in the Kentucky Model Procurement Code, KRS Chapter 45A.

Using the guidelines for competitive bidding of contracts, bids for banking services were requested in 2007 from the four banks having a presence in Morehead. At the close of that process, a contract was awarded to US Bank for the period beginning on July 1, 2007, and ending on June 30, 2008. The contract contained options for four additional one-year renewal periods.

Contracts were also awarded to banks in Ashland, West Liberty, Prestonsburg, and Jackson, for banking services for the regional campuses in those cities. These accounts function as clearing accounts for regional campus business transactions. Receipts deposited into the accounts are transferred to the main campus account on a frequent basis. The contracts are with Citizens National Bank in Ashland, Commercial Bank in West Liberty, Citizens National Bank in Prestonsburg, and Citizens Bank and Trust in Jackson.

Proposals were solicited from banks in Mt. Sterling to provide banking services at that campus beginning July 1, 2008. The proposal from Traditional Bank was determined to best fit the regional campus banking needs.

All contracts will be effective from July 1, 2009, to June 30, 2010, with options to renew the contracts for three additional one-year periods.

**ACCEPT SECOND QUARTER
FINANCIAL REPORT AND
AMEND OPERATING BUDGET**

**BOR (VI-A-8)
March 12, 2009**

Recommendation:

That the Board accept the financial statements and amend the operating budget for the second quarter of the fiscal year that will end June 30, 2009, and amend the operating budget.

Background:

The University has a statutory requirement to furnish quarterly financial reports to the Board of Regents. Financial statements have been prepared as of December 31, 2008, the second quarter of the fiscal year ending June 30, 2009. The statements, along with management's discussion and analysis and budget amendment information are attached.

Management's Discussion and Analysis
Second Quarter Financial Statements
Morehead State University
December 31, 2008

This discussion and analysis of Morehead State University's financial statements provides an overview of the University's financial activities for the six months that ended on December 31, 2008. The statements and this discussion and analysis have been prepared by Accounting and Budgetary Control staff.

Using These Financial Statements

This report consists of two basic financial statements. The Statements of Net Assets include information about the assets, liabilities and net assets, or fund balances, of the entire University. The Statements of Revenues, Expenditures and Changes in Fund Balance provide information about the unrestricted current funds revenues, expenditures and transfers of the University. The statements are prepared on an accrual basis and reflect the results of all transactions that affect the financial status of Morehead State University. These financial statements have not been prepared in full accordance with *Government Accounting Standards Board Statement 35 (GASB 35)*. Interim statements are prepared using a fund approach to facilitate budget comparisons and management decisions. Year-end statements are prepared in the GASB 35 format.

Financial Highlights

Morehead State University's financial picture remains stable through the second quarter of the 2008-2009 fiscal year. During the six month period July 1, 2008 through December 31, 2008 the University operated with a surplus of revenues over expenditures and transfers in the amount of \$30,196,831. This level of operating surplus is expected at this time, since most of the billings for the Spring 2009 semester are reflected in the tuition and fees revenue and only expenditures through December 31, 2008 are reflected. As the fiscal year proceeds, the variance between revenues and expenditures will decrease and should reflect a more appropriate operating surplus or deficit.

Significant trends and variances for the six months are summarized as follows:

- ▶ Total revenues increased \$5.6 million over last year to \$89.2 million. Tuition & fees increased \$5.7 million, auxiliary enterprises increased \$.5 million and other categories decreased \$.6 million (net).
- ▶ The total actual revenue percent to budget increased 2.3% to 72% versus 69.7% at December 31, 2007. Significant actual revenue percent to budget amount changes include a 23% increase in Indirect Cost Reimbursement, a 19% decrease in Sales & Services of Educational Activities, and a 6% decrease in Other Auxiliary Enterprises revenue.

- Total Expenses increased \$3.3 million over last year to \$59 million. Total Educational & General expenses increased \$3.4 million and auxiliary enterprises decreased \$.1 million.
- Net change in fund balance increased \$2.3 million to \$30.2 million as compared to \$27.9 million at December 31, 2007. This is an 8.2% increase over the previous year.

MOREHEAD STATE UNIVERSITY

Statements of Net Assets December 31, 2008 And 2007

| ASSETS | <u>2008</u> | <u>2007</u> |
|----------------------------------------------------------------|----------------------|----------------------|
| Current assets: | | |
| Cash and cash equivalents | \$15,105,731 | \$40,374,373 |
| Accounts, grants and loans receivable, net | 43,511,950 | 32,555,750 |
| Prepaid interest | 124,649 | 0 |
| Inventories | 1,674,861 | 1,926,554 |
| Other current assets | <u>107,600</u> | <u>118,295</u> |
| Total current assets | <u>\$60,524,791</u> | <u>\$74,974,972</u> |
| Noncurrent assets: | | |
| Accounts, grants and loans receivable, net | \$3,571,216 | \$3,774,960 |
| Prepaid interest | 600,786 | 0 |
| Investments | 13,059,370 | 16,960,793 |
| Capital assets, net | <u>141,556,438</u> | <u>126,362,496</u> |
| Total noncurrent assets | <u>\$158,787,810</u> | <u>\$147,098,249</u> |
| TOTAL ASSETS | <u>\$219,312,601</u> | <u>\$222,073,221</u> |
| LIABILITIES AND NET ASSETS | | |
| Current liabilities: | | |
| Accounts payable and accrued liabilities | \$7,513,707 | \$8,706,067 |
| Deferred revenue | 1,410,940 | 2,978,240 |
| Other current liabilities | 945 | 945 |
| Bonds, notes and capital lease obligations, current portion | <u>1,888,525</u> | <u>1,309,538</u> |
| Total current liabilities | <u>\$10,814,117</u> | <u>\$12,994,790</u> |
| Long-term liabilities: | | |
| Bonds, notes and capital lease obligations, noncurrent portion | \$26,339,234 | \$32,419,196 |
| Advances from federal government for student loans | <u>3,856,503</u> | <u>4,046,260</u> |
| Total long-term liabilities | <u>\$30,195,737</u> | <u>\$36,465,456</u> |
| TOTAL LIABILITIES | <u>\$41,009,854</u> | <u>\$49,460,246</u> |
| NET ASSETS | | |
| Invested in capital assets, net of related debt | \$114,054,115 | \$92,633,764 |
| Restricted: | | |
| Expendable | 4,777,660 | 23,603,023 |
| Nonexpendable | 11,717,697 | 11,755,880 |
| Unrestricted | <u>47,753,275</u> | <u>44,620,308</u> |
| TOTAL NET ASSETS | <u>\$178,302,747</u> | <u>\$172,612,975</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$219,312,601</u> | <u>\$222,073,221</u> |

See Attached Notes To Statements of Net Assets

**NOTES TO STATEMENTS OF NET ASSETS
MOREHEAD STATE UNIVERSITY
DECEMBER 31, 2008 AND 2007**

1. The Statements of Net Assets include the unrestricted current funds, restricted current funds, endowment funds, loan funds, and plant funds of the University. Agency funds held for others are not included.
2. Accounts, grants, and loans receivable are shown net of allowance for uncollectible student accounts of \$2,111,154 at December 31, 2008 and \$640,780 at December 31, 2007. Also included in this category is \$2,128,755 receivable from federal and state grant agencies at December 31, 2008 and \$5,253,932 at December 31, 2007, and \$7,905,592 receivable from the Commonwealth for construction funds already expended by MSU.
3. Noncurrent accounts, grants and loans receivable represent balances owed the University from borrowers who have participated in the Federal Perkins Loan Program. The balance is presented net of allowance for uncollectible accounts in the amount of \$77,558 at December 31, 2008 and \$76,438 at December 31, 2007.
4. Accumulated depreciation on buildings and equipment was \$117,088,689 at December 31, 2008 and \$126,688,755 at December 31, 2007.
5. Accounts payable and accrued liabilities include amounts due to vendors and amounts due for withheld and matching portions of payroll taxes and estimated claims payable, but not submitted until after the Statements of Net Assets date.
6. Deferred revenue from federal and state grants represent amounts received but not expended at the balance sheet date.
7. Bonds and notes payable include both the current and long-term portions of amounts borrowed to finance the purchase of plant assets.
8. The capital portion of the net assets balance is the equity the University has in land, buildings, equipment, and library holdings.
9. Restricted net assets include the fund balances of the restricted current funds, endowment funds, loan funds, and expendable plant funds.

MOREHEAD STATE UNIVERSITY
Unrestricted Current Funds
Statements of Revenues, Expenditures and Changes in Fund Balance
For the Six Months Ended December 31, 2008 and 2007

| | 2008-2009 | | | 2007-2008 | | |
|--------------------------------------|-----------------------|---------------------|-----------------------------------|----------------------|----------------------|-----------------------------------|
| | Amended Budget | Actual | Percent of Actual to Budget | Amended Budget | Actual | Percent of Actual to Budget |
| REVENUES | | | | | | |
| Educational and General | | | | | | |
| Tuition and Fees | \$ 52,837,415 | \$48,015,092 | 90.87% | \$ 47,898,031 | \$42,287,070 | 88.29% |
| Gov't Appropriations | 46,682,100 | 25,705,267 | 55.06% | 49,297,600 | 26,814,799 | 54.39% |
| Indirect Cost Reimbursement | 365,000 | 276,071 | 75.64% | 365,000 | 192,559 | 52.76% |
| Sales & Services of Ed. Activities | 2,440,040 | 1,446,085 | 59.26% | 1,421,280 | 1,113,576 | 78.35% |
| Other Sources | 3,448,621 | 2,570,844 | 74.55% | 3,024,807 | 2,495,947 | 82.52% |
| Budgeted Fund Balance - E & G | 5,211,512 | 0 | 0.00% | 5,738,126 | 0 | 0.00% |
| Total Educational and General | \$ 110,984,688 | \$78,013,359 | 70.29% | \$107,744,844 | \$72,903,951 | 67.66% |
| Auxiliary Enterprises | | | | | | |
| Housing | \$ 7,540,000 | \$ 8,012,705 | 106.27% | \$ 7,113,700 | \$ 7,711,683 | 108.41% |
| University Store | 3,876,869 | 2,547,808 | 65.72% | 3,759,708 | 2,371,328 | 63.07% |
| Food Services | 706,000 | 406,516 | 57.58% | 707,500 | 400,188 | 56.56% |
| Other | 844,288 | 220,938 | 26.17% | 663,893 | 214,865 | 32.36% |
| Total Auxiliary Enterprises | \$ 12,967,157 | \$11,187,967 | 86.28% | \$ 12,244,801 | \$ 10,698,064 | 87.37% |
| TOTAL REVENUES | \$ 123,951,845 | \$89,201,326 | 71.96% | \$119,989,645 | \$ 83,602,015 | 69.67% |

MOREHEAD STATE UNIVERSITY
Unrestricted Current Funds
Statements of Revenues, Expenditures and Changes in Fund Balance
For the Six Months Ended December 31, 2008 and 2007

| | 2008-2009 | | | 2007-2008 | | |
|---------------------------------------------------------|-----------------------|---------------------|-----------------------------------|----------------------|----------------------|-----------------------------------|
| | Amended Budget | Actual | Percent of Actual to Budget | Amended Budget | Actual | Percent of Actual to Budget |
| EXPENDITURES AND TRANSFERS BY DIVISION | | | | | | |
| Educational & General | | | | | | |
| President & Administration | \$ 755,416 | \$ 342,701 | 45.37% | \$ 803,568 | \$ 411,891 | 51.26% |
| University Relations | 203,752 | 155,398 | 76.27% | 3,134,533 | 1,626,450 | 51.89% |
| University Advancement | 4,097,900 | 2,216,414 | 54.09% | 1,081,001 | 463,422 | 42.87% |
| Administration & Fiscal Services | 13,319,098 | 7,516,109 | 56.43% | 12,448,733 | 7,061,227 | 56.72% |
| Planning & Technology | 6,009,332 | 2,988,194 | 49.73% | 6,579,648 | 4,071,380 | 61.88% |
| Student Life | 24,550,873 | 14,207,079 | 57.87% | 21,899,593 | 10,965,633 | 50.07% |
| Academic Affairs | 54,328,419 | 23,837,757 | 43.88% | 53,983,642 | 23,157,695 | 42.90% |
| Other | 8,160,595 | 2,268,715 | 27.80% | 7,024,278 | 2,395,989 | 34.11% |
| Total Educational & General | \$ 111,425,385 | \$53,532,367 | 48.04% | \$106,954,996 | \$ 50,153,687 | 46.89% |
| Auxiliary Enterprises | | | | | | |
| Housing | \$ 7,677,801 | \$ 2,769,797 | 36.08% | \$ 8,138,112 | \$ 3,228,915 | 39.68% |
| University Store | 3,697,720 | 2,152,301 | 58.21% | 3,507,156 | 1,772,375 | 50.54% |
| Food Services | 450,409 | 210,162 | 46.66% | 459,896 | 205,730 | 44.73% |
| Other | 700,530 | 339,868 | 48.52% | 929,485 | 324,850 | 34.95% |
| Total Auxiliary Enterprises | \$ 12,526,460 | \$ 5,472,128 | 43.68% | \$ 13,034,649 | \$ 5,531,870 | 42.44% |
| TOTAL EXPENDITURES AND TRANSFERS BY DIVISION | \$ 123,951,845 | \$59,004,495 | 47.60% | \$119,989,645 | \$ 55,685,557 | 46.41% |
| NET CHANGE IN FUND BALANCE | | \$30,196,831 | | | \$27,916,458 | |

MOREHEAD STATE UNIVERSITY
Unrestricted Current Funds
Budget Amendments
For the Period October 1, 2008 to December 31, 2008

| Description | Amended Budget As of 10/1/2008 | Adjustments | Amended Budget As of 12/31/2008 |
|-----------------------------------------------|---------------------------------------------------|--------------------|----------------------------------------------------|
| Revenues and Other Additions | | | |
| Tuition and Fees | \$ 52,837,415 | \$ - | \$ 52,837,415 |
| Government Appropriations | 46,682,100 | - | 46,682,100 |
| Indirect Cost Reimbursement | 365,000 | - | 365,000 |
| Sales and Services of Ed. Activities | 2,401,845 | 38,195 | 2,440,040 |
| Other Sources | 3,295,919 | 152,702 | 3,448,621 |
| Budgeted Fund Balance - E&G | 5,057,872 | 153,640 | 5,211,512 |
| Auxiliary Enterprises | 12,616,052 | 1,817 | 12,617,869 |
| Budgeted Fund Balance - AUX | 349,288 | - | 349,288 |
| Total Revenues and Other Additions | \$ 123,605,491 | \$ 346,354 | \$ 123,951,845 |
| Expenditure Authorizations by Division | | | |
| Educational & General | | | |
| President & Administration | \$ 726,051 | \$ 29,365 | \$ 755,416 |
| University Advancement | 4,214,006 | 87,646 | 4,301,652 |
| Planning & Technology | 6,024,994 | (15,662) | 6,009,332 |
| Administration & Fiscal Services | 13,007,936 | 311,162 | 13,319,098 |
| Student Life | 24,472,965 | 77,908 | 24,550,873 |
| Academic Affairs | 53,518,364 | 810,055 | 54,328,419 |
| Debt Service & Mandatory Transfers | 2,753,252 | - | 2,753,252 |
| Other | 6,384,480 | (977,137) | 5,407,343 |
| Total Educational & General | \$ 111,102,048 | \$ 323,337 | \$ 111,425,385 |
| Auxiliary Enterprises | | | |
| Planning & Technology | \$ 709,908 | \$ - | \$ 709,908 |
| Administration & Fiscal Services | 8,517,920 | 23,017 | 8,540,937 |
| Student Life | 744,804 | - | 744,804 |
| Debt Service | 2,280,811 | - | 2,280,811 |
| Other | 250,000 | - | 250,000 |
| Total Auxiliary Enterprises | \$ 12,503,443 | \$ 23,017 | \$ 12,526,460 |
| Total Expenditure Authorizations | \$ 123,605,491 | \$ 346,354 | \$ 123,951,845 |

MOREHEAD STATE UNIVERSITY
Unrestricted Current Funds
Budget Amendments
For the Period October 1, 2008 to December 31, 2008
Notes of Significant Adjustments to Revenue and Other Additions

Sales & Services of Educational Activities

Unbudgeted revenue allocated during the second quarter totaled \$38,195

- Eagle Excellence Fund (EEF) support from the MSU Foundation totaled \$9,281
- GED revenue from MSU at West Liberty totaled \$10,037
- EagleCard revenue totaled \$9,000
- Other miscellaneous revenue totaling \$9,877 was allocated to Academic Affairs

Other Sources

Budget allocations from other sources increased by \$152,702

- Unbudgeted support from the MSU Foundation totaled \$105,191
 - \$64,421 Academic Affairs
 - \$39,444 University Advancement
 - \$ 1,000 Student Life
 - \$ 326 President
- Endowment Income totaling \$33,838 was allocated to Academic Affairs
- Miscellaneous other income totaling \$13,673 was received and allocated primarily to Academic Affairs

Fund Balance – E&G

Budget allocations from fund balance for educational and general purposes totaled \$153,640

- \$ 28,685 Payroll Assistant – fixed term appointment
- \$ 2,900 Counseling & Health Services – additional flu vaccine
- \$ 68,555 Motor Pool – five GEM (electric) vehicles
- \$ 28,000 Support Services – warehouse space rent
- \$ 25,500 Human Resources – new Wellness Incentive Program

MOREHEAD STATE UNIVERSITY
Budget Amendments Greater Than \$200,000
For the Period October 1, 2008 to December 31, 2008

| From: | To: | | |
|------------------------------------|----------------------------------|---------------|--------------------|
| Revenue and Other Additions | Division/ Budget Unit | Amount | Description |
| None | | | |

MOREHEAD STATE UNIVERSITY
Capital Outlay Status Report
Agency Funds
For the Period of October 1, 2008 to December 31, 2008

| | <u>Estimated Project Scope</u> | <u>Completion Date</u> | <u>Project Status</u> |
|------------------------------------------------------------------------------------------------------------------------|----------------------------------------|----------------------------|---------------------------|
| I. Equipment Purchases \$200,000 or Greater | | | |
| None | | | |
| II. Capital Construction Projects, Information Technology Systems or Land Acquisitions \$600,000 or Greater | | | |
| Bond Issue | | | |
| Button Auditorium Renovation | \$ 750,000 | | In Progress |
| ERP Implementation Project | \$ 4,000,000 | | |
| Technical Setup and Training (June 2005) | | | Completed |
| Financial System (July 2006) | | | Completed |
| Human Resources (December 2006) | | | Completed |
| Student System (December 2007) | | | Completed |
| Auxiliary Modules (December 2008) | | | In Progress |
| Nunn Hall Renovation | \$ 5,000,000 | | In Progress |

**ADOPT RESOLUTION AUTHORIZING THE SALE
OF MOREHEAD STATE UNIVERSITY GENERAL
RECEIPTS OBLIGATIONS, 2009 SERIES A**

**BOR (VI-A-9)
March 12, 2009**

Recommendation:

That the Board adopt the following resolution relating to the sale of the University's General Receipts Obligations:

SERIES RESOLUTION

A RESOLUTION PROVIDING FOR THE AUTHORIZATION, ISSUANCE AND SALE OF APPROXIMATELY \$39,090,000 GENERAL RECEIPTS OBLIGATIONS, 2009 SERIES A OF MOREHEAD STATE UNIVERSITY, PURSUANT TO THE TRUST AGREEMENT DATED AS JULY 1, 2007.

Background:

The University has completed a Comprehensive Housing Master Plan. The plan outlines a 10-year phased approach for enhancing and expanding the University's student housing facilities by renovating existing residence halls and constructing a new apartment style residence facility. The first renovation project, Nunn Hall, is nearing completion and will be online for student occupancy in the fall semester 2009.

The second scheduled residence hall renovation project is Alumni Tower. That renovation project is in the planning and design phase and will be ready for bidding in the spring of 2009. The estimated scope of the renovation project is \$4.5 million.

The University is also in the planning and design phase for the construction of a student recreation center. The recreation center will be constructed in the residence hall complex near Eagle Lake. The project scope for the student recreation center is estimated at \$34 million.

The two projects will be financed through the issuance of the University's General Receipts Obligations, 2009 Series A. The bonds are scheduled to be sold in early June 2009. In order to proceed with the sale of the General Receipts Obligations, the Board must adopt the following resolution:

SERIES RESOLUTION

A RESOLUTION PROVIDING FOR THE AUTHORIZATION, ISSUANCE AND SALE OF APPROXIMATELY \$39,090,000 GENERAL RECEIPTS OBLIGATIONS, 2009 SERIES A OF MOREHEAD STATE UNIVERSITY, PURSUANT TO THE TRUST AGREEMENT DATED AS JULY 1, 2007.

WHEREAS, Morehead State University (herein called the "University"), a public body corporate and an educational institution and agency of the Commonwealth of Kentucky, by resolution adopted by the Board of Regents of the University on June 15, 2007 (herein called the "General Bond Resolution"), and by a Trust Agreement, dated as of July 1, 2007, as supplemented (herein called the "Trust Agreement"), comprised in part of the General Bond Resolution, has provided for the issuance from time to time of Obligations (as defined in the Trust Agreement) of the University secured by a pledge of the University's "General Receipts" (as defined in the Trust Agreement), each such issue to be authorized by a Series Resolution, as required by the Trust Agreement; and

WHEREAS, the Board has determined that it is necessary to finance the costs of the renovating, installation and equipping of certain authorized projects identified as Construct Campus Recreation Center and Renovate Alumni Tower Residence Hall (collectively, the "Project"); and

WHEREAS, by authority of Sections 162.340 to 162.380 of the Kentucky Revised Statutes, Chapter 56 of the Kentucky Revised Statutes and Sections 58.010 to 58.140 of the Kentucky Revised Statutes (collectively, the "Act"), the University is authorized to construct educational building facilities, to issue its obligations to pay all or part of the costs of such facilities, and to secure said obligations by a pledge of and lien on all or such part of the revenues and receipts of the University; and

WHEREAS, by authority of Sections 162.340 to 162.380 of the Kentucky Revised Statutes, Chapter 56 of the Kentucky Revised Statutes and Sections 58.010 to 58.140 of the Kentucky Revised Statutes (collectively, the "Act"), the University is authorized to construct educational building facilities, to issue its obligations to pay all or part of the costs of such facilities, and to secure said obligations by a pledge of and lien on all or such part of the revenues and receipts of the University; and

WHEREAS, the Board of Regents desires to provide for issuance and sale of Morehead State University General Receipts Bonds and for other matters in connection therewith, by the adoption of this Resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF MOREHEAD STATE UNIVERSITY, AS FOLLOWS:

SECTION 1. Definitions and Interpretations. All words and terms defined in Section 1 of the General Bond Resolution and all interpretations therein provided shall have the same meanings, respectively, and be subject to the same interpretations as therein provided where used in this Resolution, unless the context or use clearly indicates another or different meaning or intent, except that this Resolution is sometimes herein called and may be known as the "2009 Series A Bond Resolution," the Obligations authorized by this Resolution are referred to herein and in the

Supplemental Trust Agreement hereby authorized as the "2009 Series A Bonds," and the terms "hereof," "hereby," "hereto," "herein," and "hereunder," and similar terms, mean this Resolution.

SECTION 2. Authority. This Resolution is adopted pursuant to the General Bond Resolution, the Trust Agreement, and the Act.

SECTION 3. Authorization, Designation and Purpose of 2009 Series A Bonds. It is hereby declared to be necessary to, and the Board shall, issue, sell and deliver, as provided and authorized herein, approximately \$39,090,000 principal amount of Obligations (the "Series A Bonds") which shall be issued as General Receipts Bonds. Such Obligations shall be designated "Morehead State University General Receipts Bonds, 2009 Series A" and shall bear such further designations, if any, as the Fiscal Officer (as defined in the Trust Agreement) deems appropriate. Such Obligations shall be issued for the purpose of (i) financing the costs of the Project; and (ii) paying costs of issuance in connection with such Obligations. The proceeds from the sale of such Obligations shall be deposited and allocated as provided in Section 6 hereof.

SECTION 4. Terms and Provisions Applicable to the 2009 Series A Bonds.

(a) Form, Numbering and Designation. The 2009 Series A Bonds shall be issued in the form of fully registered Obligations as approved by the Fiscal Officer, shall be numbered from 1 upwards, and shall bear such series designation as the Fiscal Officer deems appropriate.

(b) Denomination and Dates. The 2009 Series A Bonds shall be in such denominations as requested by the Original Purchaser (hereafter defined), and shall be dated on the date determined by the Fiscal Officer and may be issued in installments (each installment being a part of the 2009 Series A Bonds herein authorized) with maturity dates approved by the Fiscal Officer, having a final maturity that is no later than twenty years from the date the 2009 Series A Bonds are issued.

(c) Interest. The 2009 Series A Bonds shall bear interest from their respective dates payable on dates approved by the Fiscal Officer, beginning on a date approved by the Fiscal Officer, at the rate or rates per annum determined pursuant to Section 5 hereof.

(d) Maturities. The 2009 Series A Bonds shall mature on such dates, in the years and in the principal amounts set forth in the maturity schedule approved by the Fiscal Officer pursuant to Section 5 hereof.

(e) Redemption Terms and Prices. The 2009 Series A Bonds shall be subject to optional and mandatory redemption on such dates and terms as approved by the Fiscal Officer, with the advice of the Financial Advisor (hereinafter identified) and set forth in the Supplemental Trust Agreement. If less than all of the outstanding 2009 Series A Bonds are called for redemption at one time, they shall be called in the order of the maturities as directed by the Fiscal Officer. If less than all of the outstanding 2009 Series A Bonds of one maturity are to be called, the selection of such 2009 Series A Bonds or portions of 2009 Series A Bonds of such maturity to be called shall be made by lot in the manner provided in the Trust Agreement. Notice of call for redemption of 2009 Series A Bonds shall be given in the manner provided in the Trust Agreement.

(f) Other Provisions. The 2009 Series A Bonds may, at the option of the Fiscal Officer, be secured by municipal bond insurance or similar instrument issued by a financial or insurance institution acceptable to the Fiscal Officer.

(g) Place of Payment and Paying Agents. The principal, interest and any redemption premium on registered 2009 Series A Bonds shall be payable by check or draft, as provided in the Trust Agreement.

(h) Execution. The 2009 Series A Bonds shall be executed in the manner provided in the General Bond Resolution.

SECTION 5. Award and Sale of 2009 Series A Bonds. The 2009 Series A Bonds shall be offered publicly for sale upon the basis of competitive bids at such time as the Fiscal Officer, upon advice of the Financial Advisor to the University, shall designate.

The Fiscal Officer is hereby authorized and directed to cause an appropriate form or forms of a Notice of Sale of Bonds to be published in *The Morehead News*, a legal newspaper published in the City of Morehead, Kentucky, which will afford local notice of the sale, the *Courier Journal*, a legal newspaper published in the City of Louisville, Kentucky, which will afford statewide notice of the sale, and, to the extent required by law, in *The Bond Buyer*, a financial journal published in the City of New York, New York, which is a publication having general circulation among bond buyers; and said newspapers and financial journal are hereby declared to be qualified to publish such notice for the Board within the meaning and provisions of Chapter 424 of the Kentucky Revised Statutes. Such notice shall be published in said newspapers and financial journal at least once not less than seven nor more than twenty-one days prior to the scheduled date of sale of the 2009 Series A Bonds.

The forms of Notice of Bond Sale, Official Terms and Conditions of Sale of Bonds, Bid Form and Official Statement, shall be in such form as approved by Bond Counsel for the University, by the Financial Advisor, by the General Counsel of the University and by the Fiscal Officer.

Bidders shall be advised that the fee of the Financial Advisor for services rendered with respect to the sale of the 2009 Series A Bonds is contingent upon the issuance and delivery of the 2009 Series A Bonds, and that the Financial Advisor may submit a bid for the purchase of the 2009 Series A Bonds at the time of the advertised public sale of the 2009 Series A Bonds, either individually or as the member of a syndicate organized to submit a bid for the purchase of the 2009 Series A Bonds.

Upon the date and at the respective hour set forth for the submission and consideration of purchase bids, as provided in the instruments hereinabove approved, bids shall be reviewed as provided in such instruments. If there shall be one or more bids which conform in all respects to the prescribed terms and conditions, such bids shall be compared, and the Fiscal Officer, upon the advice of the Financial Advisor, is authorized to accept the best of such bids, as measured in terms of the lowest interest cost to the Board, as calculated in the manner prescribed in the Official Terms and Conditions of Sale of Bonds. Calculations shall be performed as are necessary to determine the exact amount of 2009 Series A Bonds that are required to be issued in order to (i) pay the budgeted costs of the Project and (ii) pay the costs of issuing the 2009 Series A Bonds and the final principal amount, interest rates and maturities of the 2009 Series A Bonds shall thereupon be established, as prescribed in the Official Terms and Conditions of Sale of Bonds.

SECTION 6. Allocation of Proceeds of 2009 Series A Bonds. All of the proceeds from the sale of the 2009 Series A Bonds and other lawfully available funds of the University shall be

received and receipted for by the Fiscal Officer and shall be deposited and allocated as set forth in the Supplemental Trust Agreement approved hereby.

SECTION 7. Additional Covenants with Respect to Internal Revenue Code of 1986, as Amended. This Board hereby finds and determines that all of the proceeds from the sale of the 2009 Series A Bonds will be needed for the purposes set forth in Section 6 hereof. This Board hereby covenants for and on behalf of the University, that it will restrict the use of the proceeds of the 2009 Series A Bonds in such manner and to such extent, if any, and take such other actions as may be necessary, in view of reasonable expectations at the time of issuance of the 2009 Series A Bonds, so that the 2009 Series A Bonds will not constitute obligations the interest on which is subject to federal income taxation or "arbitrage bonds" under Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations prescribed under such Sections. The Fiscal Officer or any other officer of the University having responsibility with respect to issuance of the 2009 Series A Bonds is hereby authorized and directed to give an appropriate certificate for inclusion in the transcript of proceedings with respect to the 2009 Series A Bonds, setting forth the facts, estimates and reasonable expectations pertinent under said Sections 103(b)(2) and 148 of the Code and an election, if appropriate, with respect to Section 148(f)(4)(B)(IV)(V) of the Code. The Fiscal Officer is hereby authorized and directed to create a Rebate Account (which shall be held by either the University or the Trustee, at the discretion of the Fiscal Officer) if the Fiscal Officer determines such account is necessary so that the University complies with the rules concerning "rebate" as set forth in the Code, as they apply to the 2009 Series A Bonds.

SECTION 8. Supplemental Trust Agreement. The Chairman of the Board is authorized and directed to execute, acknowledge and deliver to the Trustee, in the name of and on behalf of the University, a Supplemental Trust Agreement pursuant to the Trust Agreement and in connection with the issuance of the 2009 Series A Bonds, in substantially the form submitted to this Board with such changes therein not substantially adverse to the University as may be permitted by the Act and the Trust Agreement and approved by the officer executing the same on behalf of the University. The approval of such changes, and that such changes are not substantially adverse to the University, shall be conclusively evidenced by the execution of such Supplemental Trust Agreement by such officer.

SECTION 9. Official Statement. The Chairman is hereby authorized and directed to execute and deliver an Official Statement with respect to the 2009 Series A Bonds for the purpose of making available to potential investors the information therein contained, which describes the interest rates and other terms to be borne by and the price to be paid for the 2009 Series A Bonds, and such other information with respect to the University and the 2009 Series A Bonds, necessary in the judgment of the Chairman with the advice of the Fiscal Officer and the Financial Advisors. The Chairman and the Fiscal Officer are each hereby authorized to deem the Preliminary Official Statement and final Official Statement "near final" and "final" for purposes of Securities Exchange Commission Rule 15c2-12, as amended and interpreted from time to time, promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934 (the "Rule").

SECTION 10. Compliance With Rule 15c2-12. The Board of Regents hereby agrees, to comply with the provisions of the Rule. In order to comply with the Rule, a Continuing Disclosure Agreement in the usual and customary form is hereby authorized and approved, with such modifications and additions as may be approved by the officer of the University executing the same.

The Chairman and the Fiscal Officer are each hereby authorized to execute and deliver such Continuing Disclosure Agreement.

SECTION 11. Open Meetings. This Board hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in an open meeting of this Board, and that all deliberations of this Board and of its committees, if any, which resulted in formal action, were taken in meetings open to the public, in full compliance with applicable legal requirements.

SECTION 12. Further Authorization. That the proper and appropriate officers of the Board and of the University, to the extent authorized by law, are hereby authorized to execute and deliver the closing certificates, if any, with such modifications thereto as may be required by the purchasers of the 2009 Series A Bonds and approved by special bond counsel to the University as well as such other documents, certificates and statements as may be so required and so approved in connection with sale and delivery of the 2009 Series A Bonds.

SECTION 13. Provisions in conflict are Repealed. All resolutions or parts thereof in conflict with the provisions of this Resolution are hereby rescinded to the extent of such conflict.

SECTION 14. Effective Date. This resolution shall take effect from and after its passage.

SECTION 15. Copy to be Filed with Trustee. A certified copy of this Resolution shall be filed with the Trustee

Adopted March 12, 2009.

Chairman, Board of Regents
Morehead State University

Attest:

Secretary, Board of Regents
Morehead State University

CERTIFICATION

The undersigned, Secretary of the Board of Regents of Morehead State University, Morehead, Kentucky, hereby certifies that the foregoing is a true copy of a Resolution adopted by the Board of Regents of said University at a meeting held on March 12, 2009, as recorded in the official Minute Book of said Board of Regents, which is in my custody and under my control, that said meeting was held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820, and 61.825, that a quorum was present at said meeting, and that the aforesaid Resolution is of record in the office of the Board, has not been modified, amended, or rescinded, and is in full force and effect at this date.

WITNESS my signature this ____ day of _____, 2009.

Secretary, Board of Regents
Morehead State University

43609_1

**APPROVE ALLOCATION OF
BUCKS FOR BRAINS DOLLARS**

**BOR (VI-A-10)
March 12, 2009**

Recommendation:

That the Board approve the division and partial submission of MSU's allocation of the Comprehensive University Excellence Trust Fund.

Background:

The 1997 Higher Education Improvement Act created the Comprehensive University Excellence Trust Fund (Bucks for Brains) for the purpose of providing state matching funds in response to private support of endowed chairs and professorships, graduate fellowships, and other academic purposes including scholarship. In the current biennium, capital projects are also permitted.

In the 2008-2010 budget, Morehead State University was appropriated \$1.395 million by the General Assembly to match eligible endowments and capital projects. Governing boards of the universities are required to approve the division of the appropriated amount between capital and endowed projects, as well as review and approve all gifts and pledges that are submitted for match.

In order to comply with guidelines outlined by the Council on Postsecondary Education, a copy of the proposed allocation division and initial submission for matching funds is attached for review and approval.

**Capital and Endowment Allocation
of Comprehensive University Excellence Trust Fund
for submission to the
Council on Postsecondary Education**

| <u>Category</u> | <u>Amount Allotted</u> |
|------------------------|-------------------------------|
| Capital | \$1,000,000 |
| Endowment | 395,000 |
| Total: | \$1,395,000 |

**Gifts and Pledges for Submission to the
Council on Postsecondary Education
in the Comprehensive University Excellence Trust Fund**

| <u>Donor</u> | <u>Purpose</u> | <u>Amount</u> |
|--------------------------------------------------|------------------------------------|--------------------|
| W. Paul and Lucille Caudill Little Foundation | Classroom to the Community Program | \$1,000,000 |
| | Total: | \$1,000,000 |

SPRING 2009 PRELIMINARY ENROLLMENT**BOR (VI-B-I)
March 12, 2009****Headcount, Credit Hours, and FTE by Term**

| Term | Headcount | Spring as a % of Fall | Credit Hours Generated | Spring as a % of Fall | FTE | Spring as a % of Fall |
|-------------|-----------|--------------------------|---------------------------|--------------------------|-------|--------------------------|
| Fall 2004 | 9,293 | | 109,425 | | 7,009 | |
| Spring 2005 | 8,680 | 93.4% | 101,012 | 92.3% | 6,484 | 92.5% |
| Fall 2005 | 9,062 | | 103,941 | | 6,662 | |
| Spring 2006 | 8,625 | 95.2% | 97,198 | 93.5% | 6,250 | 93.8% |
| Fall 2006 | 9,025 | | 102,938 | | 7,080 | |
| Spring 2007 | 8,536 | 94.6% | 95,801 | 93.1% | 6,587 | 93.0% |
| Fall 2007 | 9,066 | | 102,747 | | 6,988 | |
| Spring 2008 | 8,487 | 93.6% | 94,299 | 91.8% | 6,431 | 92.0% |
| Fall 2008 | 8,981 | | 100,143 | | 6,818 | |
| Spring 2009 | 8,221 | 91.5% | 91,536 | 91.4% | 6,240 | 91.5% |

Note: Prior to 2006, the Council on Postsecondary Education (CPE) calculation of full-time equivalent (FTE) for undergraduates was $FTE = (\text{total undergraduate credit hours})/16$ and for graduates was $FTE = (\text{total graduate credit hours})/12$. For the 2006-2007 academic year, the CPE calculation of FTE for both undergraduates and graduates was $FTE = (\text{total full-time students}) + 1/3 (\text{total part-time students})$. Beginning in Fall 2007, the CPE calculation of FTE is as follows: Undergraduate FTE = $(\text{total student credit hours})/15$; Graduate FTE = $(\text{total student credit hours})/12$.

REPORT ON PERSONAL SERVICE CONTRACTS

**BOR (VI-B-2)
March 12, 2009**

The attached list of personal service contracts represents all such contracts issued with amounts greater than \$10,000 between November 16, 2008, and March 1, 2009.

PERSONAL SERVICE CONTRACTS
November 16, 2008 through March 1, 2009

| Individual/Firm | Contract Description | Contract Beginning Date | Contract Ending Date | Contract Amount | Method of Selection |
|-------------------------------|-------------------------------------------------------------------|-------------------------|----------------------|------------------------------------------------------------------|-------------------------|
| Proventions Group | Development, design, layout and printing of Athletic media guides | 7/1/08 | 6/30/09 | \$23,816.00 (\$1,000.00 Amendment processed 2/10/09) | Request for Proposal |
| Wellness Consultants, LLC | Biometric screenings | 1/22/09 | 6/30/09 | \$8,621.00 | Request for Proposal |
| MML&K Government Solutions | State and federal governmental relations | 2/1/09 | 6/30/09 | \$22,350.00 | Request for Proposal |

**PRELIMINARY REPORT ON
2010-2016 SIX-YEAR CAPITAL PLAN**

**BOR (VI-B-3)
March 12, 2009**

Background:

The University is required to submit a 2010-2016 Six-Year Capital Plan (Plan) to the Capital Planning Advisory Board (CPAB) and the Council on Postsecondary Education (CPE) by April 15, 2009. The plan will include proposed capital projects with an estimated scope of \$600,000 or more and equipment purchases with an estimated scope of \$200,000 or more. Projects included in the first biennia of the plan will be used as the basis for the development of the 2010-2012 Executive Budget Capital Request which will be presented to the Board for approval in the fall of this year.

Following the submission of the plan to the CPAB and CPE on April 15, it will be reviewed by staff in those two entities, and the CPAB will conduct meetings to review agency plans from May to September. During this time, the Plan may be amended based on subsequent information that has become available.

Since the Plan will be submitted between regular meetings of the Board, this project listing is presented for the Board's information and comments. The Plan as submitted in April will be presented for the Board's ratification at the June 2009 meeting.

The projects listed in this report and the priorities in which they are presented are not anticipated to change significantly. The cost estimates presented for the projects however, will continue to be reviewed by Facilities Management and other University staff to ensure that the most complete and accurate information available for the projects is contained in the report that is submitted on April 15.

Projects are identified by anticipated fund source including:

- State Bonds – Bonded indebtedness issues by the State for which the debt service payments will be managed by the State.
- State General Funds – Direct state appropriations designated in the Budget of the Commonwealth for a specific line item.
- Agency Bonds – Bonded indebtedness issued by the University for which debt service payments will be made by the University from institutional revenues.
- Agency Funds – University funds generated from institutional revenue sources.
- Other Funds – External funds granted to the University for a specific capital project.

**MOREHEAD STATE UNIVERSITY
CAPITAL PROJECTS SUMMARY LISTING
SIX-YEAR CAPITAL PLAN
2010-2016**

| <u>Project Title</u> | <u>Estimated Scope</u> |
|-----------------------------------------------------------------------|------------------------|
| <u>2010-2012</u> | |
| <u>Projects Funded with State Bonds or State General Funds</u> | |
| Renovate & Add to Student Center Phase II | \$52,921,000 |
| Expand Life Safety: Claypool Young Bldg. | 1,000,000 |
| Construct Space Science Clean Room | 4,394,000 |
| Purchase Equip for Ctr for Hlth, Educ & Research | 3,000,000 |
| Renovate Combs Classroom Building | 26,355,000 |
| Construct Honors College Facility | 1,733,000 |
| Acquire Land Related to Master Plan | 4,000,000 |
| Comply with ADA – E&G | 3,322,000 |
| Construct Vet Tech Clinical Services Center | 22,881,000 |
| Renovate Button Auditorium | 7,598,000 |
| Construct Performing Arts Building | 95,726,000 |
| Purchase Equipment for Biochemistry Lab | 400,000 |
| Replace Boiler Tubes | 2,500,000 |
| Construct Classroom to the Community Facility | 6,160,000 |
| Plan and Design Library Facility | 1,350,000 |
| Enhance Library Automation Resources | 1,000,000 |
| Enhance Network/Infrastructure Resources | 5,650,000 |
| Upgrade and Expand Distance Learning | 1,150,000 |
| Replace Stadium Turf | 1,200,000 |
| Construct Athl Admin & Sports Performance Bldg | 25,429,000 |
| Purchase Instructional Tech Initiatives | 2,275,000 |
| Upgrade Administrative Office Systems | 3,000,000 |
| Upgrade Instruct. PCs/LANs/Peripherals | 5,000,000 |
| Construct Classroom Lab Building Browning Orchard | 1,452,000 |
| Capital Renewal & Maintenance Pool-University Farm | 1,055,000 |
| Capital Renewal & Maintenance Pool-E&G | 8,795,000 |
| Renovate Acad Ctr & Tennis Team Facilities | 4,761,000 |
| Construct Plant Facilities | 6,750,000 |
| Reconstruct Central Campus | 2,500,000 |
| <i>Subtotal State Bonds/Funds</i> | \$303,357,000 |
| <u>Projects Funded with Agency Bonds or Agency Funds</u> | |
| Renovate Mignon Tower Residence Hall | \$6,023,000 |
| Construct Food Svcs Facility in Housing Complex | 8,746,000 |
| Construct Parking Structure | 7,420,000 |
| Comply with ADA – Auxiliary | 2,727,000 |

| | |
|----------------------------------------------------|-----------------------------|
| Construct Residence Building-University Farm | 2,523,000 |
| Capital Renewal and Maintenance Pool-Aux | 2,284,000 |
| <i>Subtotal Agency Bonds/Funds</i> | <i>\$29,723,000</i> |
| | |
| <u>Projects Funded with Federal Funds</u> | |
| Construct Morehead/Rowan Co. Public Safety Complex | \$11,504,000 |
| <i>Subtotal Federal Funds</i> | <i>\$11,504,000</i> |
| | |
| <i>TOTAL 2010-2012 CAPITAL PROJECTS</i> | <i>\$344,584,000</i> |

2012-2014

| | |
|-----------------------------------------------------------------------|-----------------------------|
| <u>Projects Funded with State Bonds or State General Funds</u> | |
| Acquire Land Related to Master Plan | \$4,000,000 |
| Capital Renewal and Maintenance Pool-E&G | 1,566,000 |
| Comply with ADA - E&G | 3,322,000 |
| Construct General Office Building | 13,845,000 |
| Construct New Facility for IRAPP | 15,577,000 |
| Construct New Facility for University Advancement | 10,500,000 |
| Construct New Library Facility | 64,576,000 |
| Construct New Softball Facility | 9,011,000 |
| Reconstruct Allen Field | 11,835,000 |
| Renovate Ginger Hall | 34,859,000 |
| Renovate Jayne Stadium | 27,708,000 |
| Renovate Laughlin Building & Wetherby Gym | 9,644,000 |
| Renovate Lloyd Cassity Building | 19,286,000 |
| <i>Subtotal State Bonds/Funds</i> | <i>\$225,729,000</i> |
| | |
| <u>Projects Funded with Agency Bonds or Agency Funds</u> | |
| Comply with ADA – Auxiliary | 2,727,000 |
| Construct Student Residential Apartment Complex | 52,123,000 |
| Renovate East Mignon Residence Hall | \$4,948,000 |
| Renovate West Mignon Residence Hall | 4,948,000 |
| <i>Subtotal Agency Bonds/Funds</i> | <i>\$64,646,000</i> |
| | |
| <i>TOTAL 2012-2014 CAPITAL PROJECTS</i> | <i>\$290,375,000</i> |

2014-2016**Projects Funded with State Bonds or State General Funds**

| | |
|-------------------------------------------|-------------|
| Acquire Land Related to Master Plan | \$4,000,000 |
| Capital Renewal and Maintenance Pool-E&G | 1,952,000 |
| Comply with ADA - E&G | 3,322,000 |
| Construct Indoor Practice Facility | 10,324,000 |
| Construct KY Center for Traditional Music | 8,658,000 |
| Construct New Intramural Fields | 4,658,000 |
| Expand Claypool-Young Building | 2,549,000 |
| Expand Life Safety: E&G Facilities | 766,000 |
| Renovate Academic Athletic Center | 21,295,000 |
| Renovate Reed Hall | 24,367,000 |
| Replace Coal Fired Boilers | 34,100,000 |
| Replace Electrical Switchgear-Main Campus | 1,875,000 |

Subtotal State Bonds/Funds **\$117,866,000**

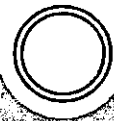
Projects Funded with Agency Bonds or Agency Funds

| | |
|----------------------------------|-------------|
| Renovate Mignon Residence Hall | \$8,246,000 |
| Renovate Cartmell Residence Hall | 10,235,000 |
| Comply with ADA – Auxiliary | 2,727,000 |

Subtotal Agency Bonds/Funds **\$21,208,000**

TOTAL 2014-2016 CAPITAL PROJECTS **\$139,074,000**

Morehead State University & MSU Foundation, Inc.



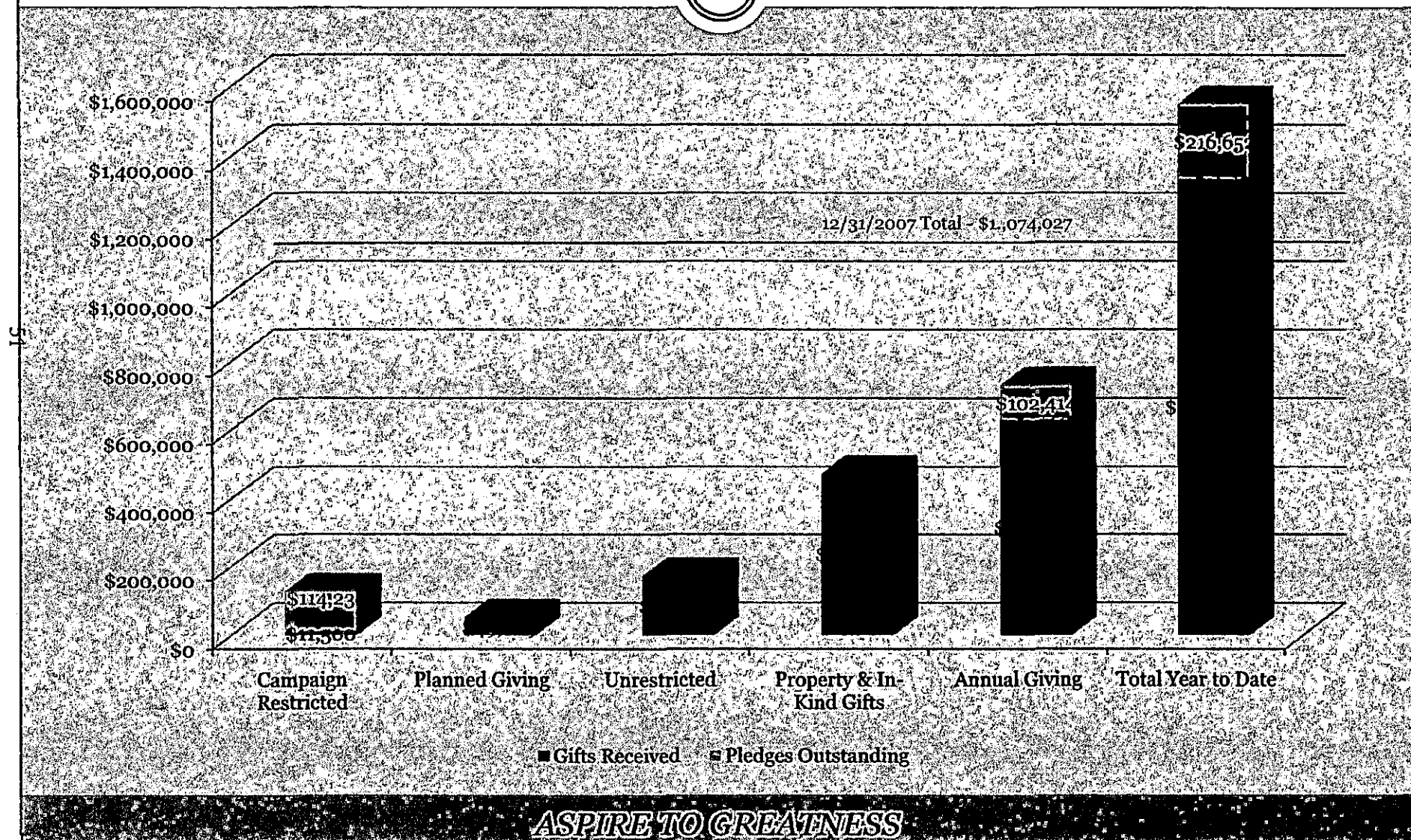
**2008-2009
GIFT INCOME UPDATE
DECEMBER 31, 2008**



ASPIRE TO GREATNESS



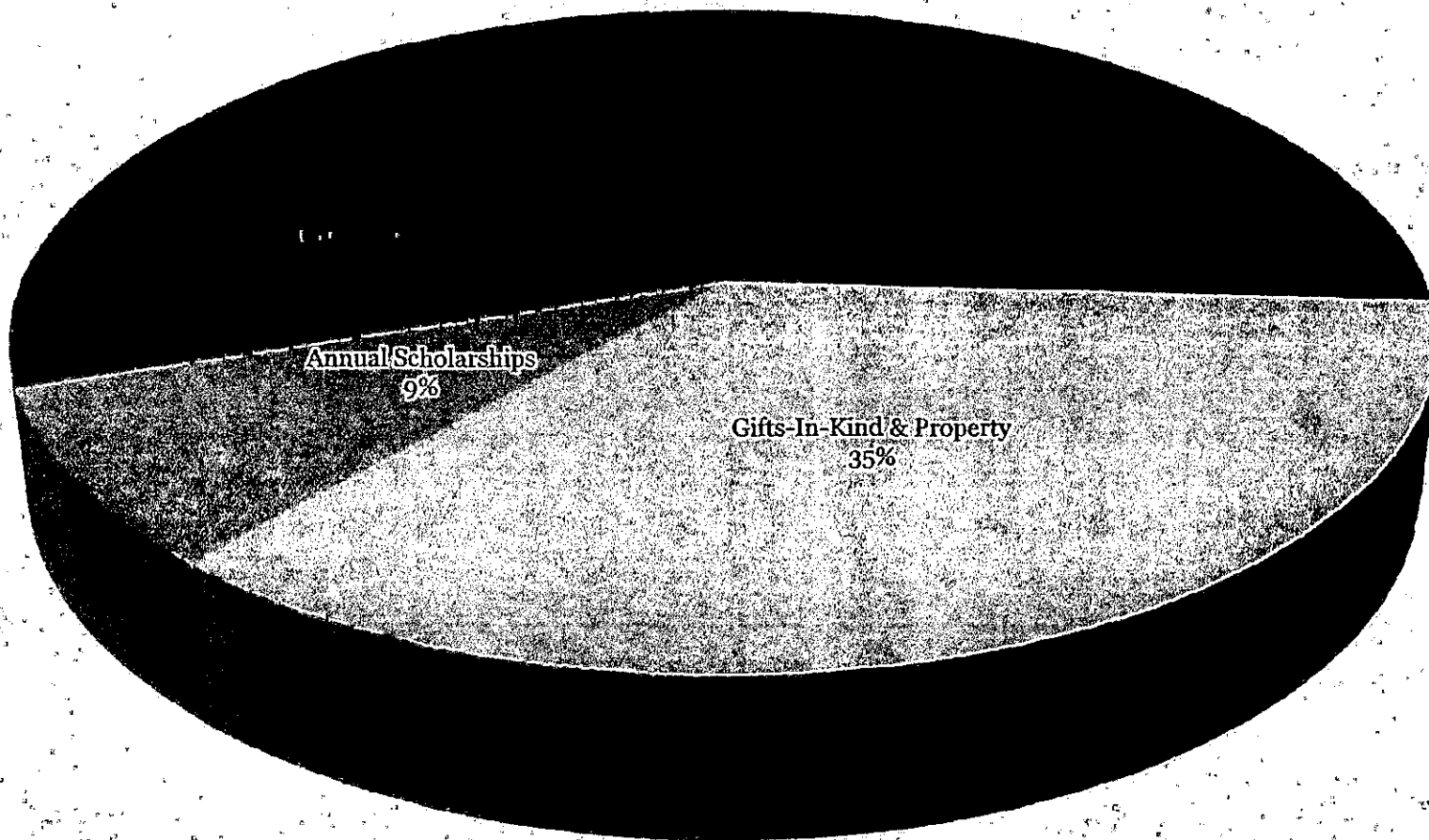
2008-2009 Gift Income Summary





2008-2009

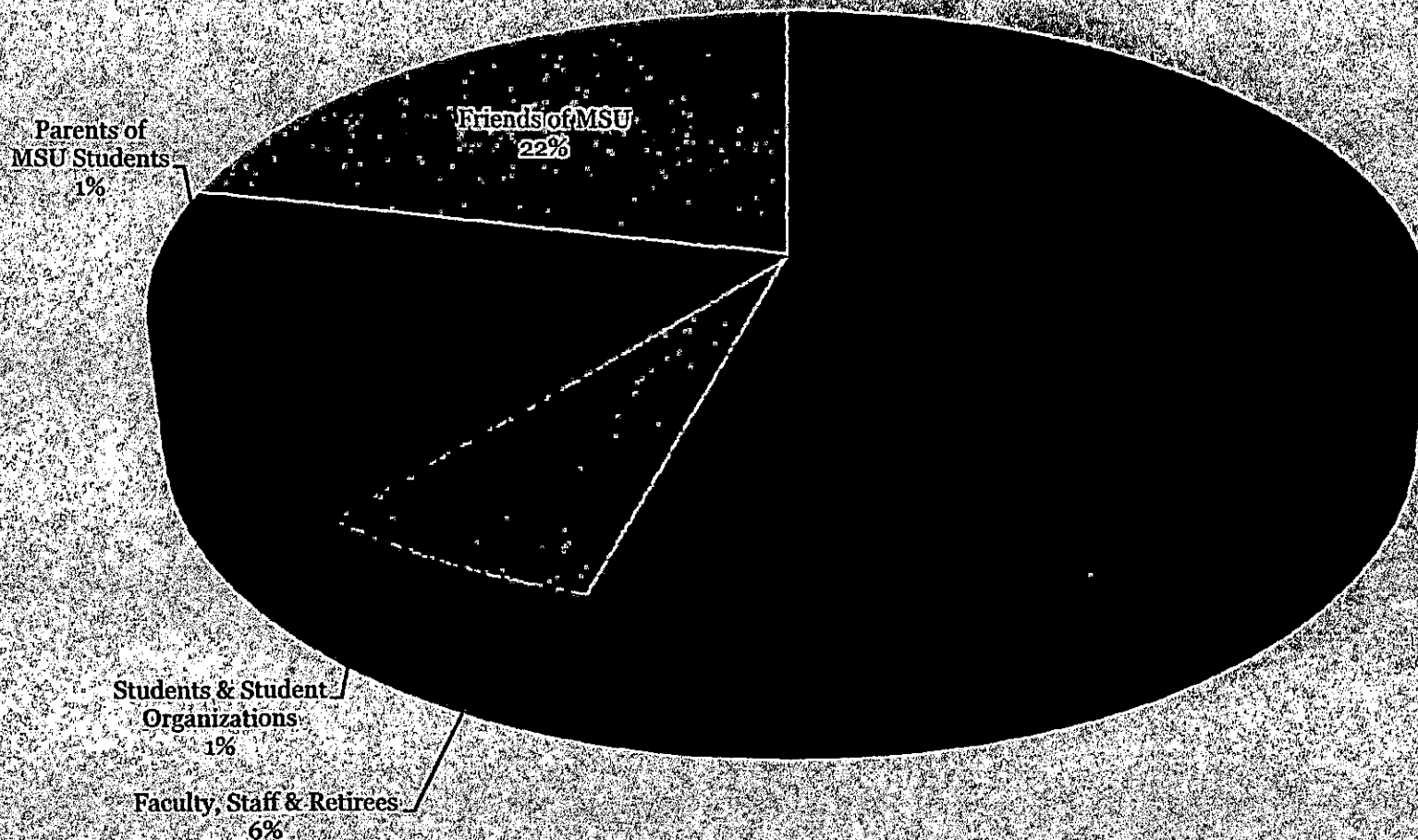
Giving by Designation



ASPIRE TO GREATNESS



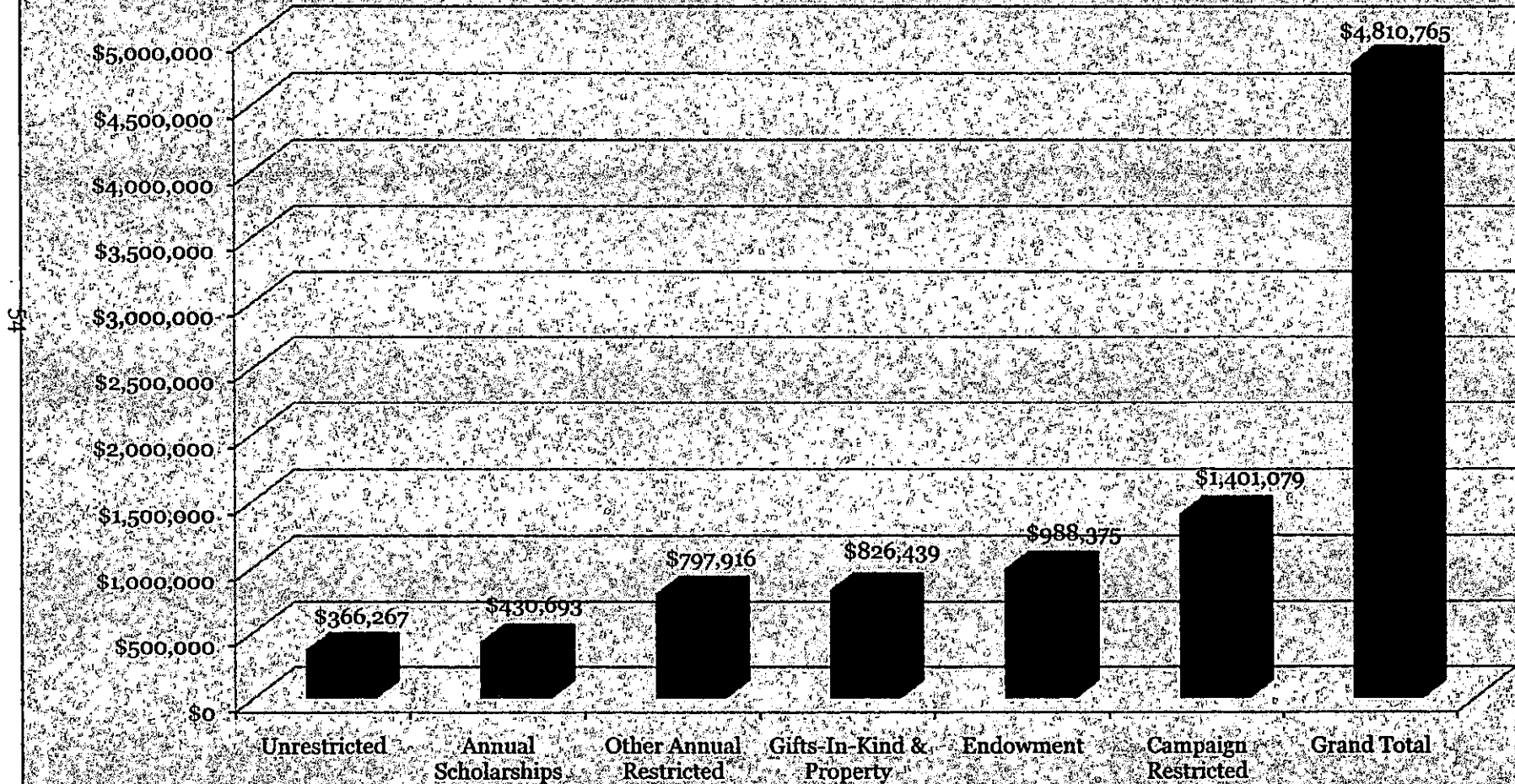
2008-2009 Giving by Source



ASPIRE TO GREATNESS



Comprehensive Campaign Total Dollars Raised To Date



ASPIRE TO GREATNESS

REPORT ON ANTICIPATED 2009-2010 TUITION AND MANDATORY FEE INCREASES

**BOR (VI-B-5)
March 12, 2009**

Background:

In accordance with 13 KAR 2:050, the Council on Postsecondary Education determines tuition for all students enrolled in Kentucky public postsecondary institutions. The Council approved a tuition policy for 2009-2010 at its March 6, 2009, meeting. A copy of the 2009-2010 Tuition and Mandatory Fee Policy is attached.

Analysis:

MoSU continues its efforts to maintain an appropriate balance between its need to maximize tuition revenue and the need to maintain student affordability. With an additional 2 percent midyear reduction in state appropriation and the projected shortfall in state revenue, it is anticipated that the University's support from state appropriations will decline further with the opening of the 2009-2010 operating budget. New tuition revenue will be critical to help fund increases in fixed and unavoidable operating increases and also to fund priority initiatives that support the strategic goals of the University.

With a maximum tuition increase for Kentucky comprehensive universities of 4 percent set by the Council on Postsecondary Education in the 2009-2010 Tuition and Mandatory Fee Policy, it is anticipated that MoSU will continue to offer the state's best value when compared to other Kentucky public universities. The table below reflects the maximum per-credit-hour rate increase that MoSU could implement under the CPE tuition guidelines. Also modeled is the planned reduction in the discount rate for hours enrolled above 12 from 80 percent to 70 percent as we migrate into the second year of the per-credit-hour model.

| | 2008-2009 | 2009-2010 | \$ Increase | % Increase |
|--------------|-----------------------|-----------------------|---------------------|------------|
| Hours 1 – 12 | \$225 per credit hour | \$234 per credit hour | \$9 per credit hour | 4% |
| Hours 13+ | 80% discount | 70% discount | | |

Plans are to allocate a portion of the new revenue generated from the tuition increase to offset the rate increase for merit-based undergraduate scholarship students and to increase the stipend awarded to graduate assistants. Also, recently approved increases in the federal Pell Grant will exceed the maximum possible tuition increase for the MoSU students with the greatest financial need.

Next Steps:

The following action steps will be taken by MoSU staff to develop a final 2009-2010 tuition and mandatory fee rate:

- Continue to closely monitor legislation changes during an anticipated 2009 special session of the General Assembly that will impact the support that MoSU will receive in 2009-2010 from state appropriations.
- Finalize increases in fixed and unavoidable operating increases for 2009-2010.
- Hold public forums and informational sessions to communicate 2009-2010 budget priorities and discuss potential increases in student tuition and mandatory fee rates.
- Bring a final tuition and mandatory fee rate to the Board for approval at the June 2009 meeting as part of the 2009-2010 Operating Budget recommendation. The final rate increase will be set within the parameters approved by the Council on Postsecondary Education for Kentucky comprehensive universities.

**Board of Regents Meeting
Morehead State University
Riggle Room, Adron Doran University Center
9 a.m., Thursday, March 12, 2009**

Agenda

- I. **CALL TO ORDER**
- II. **ROLL CALL**
- III. **ELECT OFFICERS: CHAIR, VICE CHAIR, AND SECRETARY;
APPOINT TREASURER**
- IV. **APPROVE MINUTES OF DECEMBER 4, 2008**
- V. **SPOTLIGHT – *Academic Audit***
- VI. **PRESIDENT’S RECOMMENDATIONS AND REPORTS**

A. Recommendations

- 1. Approve CPE Resolution1
- 2. Approve Tenure with Promotion, 20092
- 3. Approve Amended PAc-1 Definition of Academic Titles..... 3-6
- 4. Approve Amended PAc-6 Membership on Graduate Faculty.... 7-13
- 5. Approve Bachelor of Fine Arts in Creative Writing.....14-15
- 6. Ratify Personnel Actions.....16-20
- 7. Approve Contracts for Banking Services21
- 8. Accept Second Quarter Financial Report and
 Amend Operating Budget.....22-32
- 9. Approve Sale of General Receipts Revenue Bonds.....33-39
- 10. Approve Allocation of Bucks for Brains Dollars.....40-42

B. Reports

- 1. Preliminary Report on 2009 Spring Enrollment.....43
- 2. Report on Personal Service Contracts44-45
- 3. Report on 2010-2016 Six-Year Capital Plan46-49
- 4. Gift Income Report50-54
- 5. Report on Anticipated 2009-2010 Tuition and
 Mandatory Fee Increases.....55-56

C. President’s Report (Progress Update on President’s Goals)

VII. **OTHER BUSINESS**

A. Executive Session

B. Upcoming Meetings

- 1. Work Session, Thursday, May 21, 2009
- 2. Quarterly Meeting, Thursday, June 11, 2009

VIII. **ADJOURNMENT**